FIRST-HALF 2021 FINANCIAL REPORT

The Louvre Post Office building in Paris –
a building renovated by Bouygues Construction

BOUYGUES

Donnons vie au progrès

CONTENTS

The first-half review of operations and condensed consolidated first-half financial statements were approved by the Board of Directors at its meeting on 25 August 2021.

1. PRESS RELEASE

FIRST-HALF 2021 RESULTS

- **EXCELLENT FIRST-HALF 2021 RESULTS**
  - **Strong growth in sales and earnings versus H1 2020**
  - **H1 2021 results return to pre-crisis level**
- **VERY ROBUST FINANCIAL STRUCTURE**
  - **Record level of liquidity for a mid-year and net debt at end-June at a historical low**
- **GUIDANCE FOR THE GROUP REVISED UPWARD**

KEY FIGURES

(€ million)	H1 2020	H1 2021	Change	H1 2019	Change
Sales	14,758	17,417	+18% [a]	17,446	0%
Current operating profit/(loss)	(132)	471	+€603m	453	+€18m
Current operating margin	-0.9%	2.7%	*+3.6 pts*	2.6%	*+0.1 pt*
Operating profit/(loss)	(176) [b]	551 [c]	+€727m	495	+€56m
Net profit/(loss) attributable to the Group	(244)	408	+€652m	225	+€183m
Net surplus cash (+)/net debt (-)	(3,905)	(2,813)	+€1,092m	(6,205)	+€3,392m

(a) *Up 17% like-for-like and at constant exchange rates*
(b) *Including net non-current charges of €44m*
(c) *Including net non-current income of €80m*

The Group's excellent results in the first half of 2021 show its resilience in an environment still impacted by the Covid-19 pandemic.

- **Sales** were €17.4 billion, up 18% versus first-half 2020 (up 17% like-for-like and at constant exchange rates) and returned to their level before the health crisis. All business segments reported growth, driven by robust commercial activity.
- **Current operating profit** reached €471 million, a sharp €603-million improvement over first-half 2020. The **current operating margin** rose 3.6 points over the period to 2.7%. The current operating profit and current operating margin in first-half 2021 were higher than in first-half 2019, notably reflecting a significant improvement in profitability at Colas.
- **Operating profit** was €551 million in first-half 2021, versus an operating loss of €176 million in first-half 2020. It includes net non-current income of €80 million, versus net non-current charges of €44 million a year earlier, mainly related to the sale of data centers by Bouygues Telecom.
- **Net profit attributable to the Group** was €408 million, significantly more than in first-half 2019 (€225 million) and first-half 2020 (net loss of €244 million). It incorporates a contribution from Alstom of €219 million, versus €33 million in the same period of 2019 and €35 million in the same period of 2020.

The Group has a very robust financial structure.

- **Net debt** at end-June 2021 was €2.8 billion, a historically low level for a first half and €1.1 billion less than at end-June 2020.
- The Group had a record level of **available cash** for the end of a first half, with €11.8 billion at end-June 2021 versus €11.1 billion at end-June 2020.
- **Net gearing**[1] was 24% versus 34% at end-June 2020.

The Group was acknowledged for its achievements in sustainable development.

In the first half of 2021, the Bouygues group was awarded a C+[2] score for its CSR performance by the extra-financial ratings agency ISS ESG and was ranked in the Prime category of the construction sector.

OUTLOOK

The outlook given below assumes that there will be no further deterioration due to the health crisis.

Bouygues Telecom

Bouygues Telecom confirmed its 2021 targets, namely:

- **Organic growth in sales from services** estimated at around **5%** despite the impacts of the pandemic on roaming usage.
- An **increase in EBITDA after Leases** (including BTBD) of **around 7%**.
- **Net capex of around €1.3 billion** (excluding 5G frequencies) in order to keep pace with growth in the mobile and fixed customer base and in usage.

The **"Ambition 2026" plan targets** to be achieved by 2026 are:

- Sales from services of more than €7 billion.
- EBITDA after Leases of around €2.5 billion with an EBITDA after Leases margin of around 35%.
- Free cash flow of around €600 million.

TF1

Having integrated its digital activities into its media arm, the TF1 group has relinquished the guidance issued in February 2021 for the current operating margin of the Unify division.

Newen Studios will continue to pursue the objective of increasing its international sales and its backlog with pure-player platforms.

Taking advantage of the considerable potential synergies arising from this reorganization and the resumption of production activity, TF1 expects:

- A **double-digit current operating margin from 2021**, similar to the level in 2019[3].

Group

Based on its results for the first half of 2021, the Group has raised its guidance, in an environment still affected by the Covid-19 pandemic.

- In **2021**, **sales** and **current operating profit** should be **very close** to the level of **2019**. The **current operating margin** should return to its **pre-crisis level**. (*Previously the Group expected sales and earnings to be well above those of 2020, although without reaching 2019 levels*.)
- In **2022**, **current operating profit** should continue to grow and **exceed the 2019 level**. (*Previously the Group expected current operating profit in 2022 to return to the same level as 2019 or be slightly higher).*

[1] Net debt/shareholders' equity

[2] On a scale going from D- to A+

[3] Current operating margin at TF1 of 10.9% in 2019

Commenting on these results, Olivier Roussat, Group CEO, said:

"The Group's excellent results in the first half of 2021 once again demonstrate its resilience. The pandemic has not undermined its activities, their mid- to long-term outlook is positive, and they are well positioned thanks to their expertise, know-how and innovation capability.

Under these favorable circumstances, the Bouygues group aims to strengthen the positioning of its business segments, expand their portfolio of sustainable products and solutions in order to seize new business opportunities, and enhance differentiation through innovation, quality, and proximity to customers.

This development strategy implies a selective and disciplined approach to investment and external growth to ensure that the Group maintains a robust financial structure. We are confident that all our projects will create value for the Group and for its stakeholders, whether employees, customers, shareholders, suppliers and the civil society as a whole."

DETAILED ANALYSIS BY SECTOR OF ACTIVITY

CONSTRUCTION BUSINESSES

The backlog in the **construction businesses** at end-June 2021 remained high at €33.3 billion, providing good visibility on future activity. The equivalent figure at end-June 2020 was €35.7 billion. This 6%[1] year-on-year decline was due to a tough basis of comparison versus end-June 2020 related to the very low backlog drawdown during the lockdowns and the award of a number of major contracts in the first half of 2020. International markets accounted for 64% of the backlog for Bouygues Construction and Colas at end-June 2021, up 1 point versus end-June 2020.

- The backlog at Colas was up 4%[1] versus end-June 2020, reflecting the resumption of tenders in the roads business in France, with order intake up 22% versus first-half 2020. The backlog in international markets was notably boosted by significant order intake in the roads business in Canada in second-quarter 2021.
- Sustained commercial activity at Bouygues Immobilier led to a 10% year-on-year increase in residential property reservations, reflecting strong customer demand. However, lead times for the issuance of building permits are still very long, affecting supply availability. In the commercial property segment, customers remain cautious. Overall, the backlog at Bouygues Immobilier was 18% lower than at end-June 2020.
- The backlog at Bouygues Construction was down 9%[1] versus end-June 2020, at a level comparable to end-June 2019. The basis of comparison is tough due to the booking at end-June 2020 of a €1.1 billion[2] contract to build a section of the HS2 high-speed rail line in the United Kingdom.

The construction businesses reported sales of €12.8 billion in first-half 2021, up 18% year-on-year (up 19% like-for-like and at constant exchange rates).

The increase was driven by France (up 35% year-on-year). The first half of 2020 was affected by the enforcement of a strict lockdown on 17 March followed by a gradual resumption of activity. Sales were 3% lower than in the first half of 2019.

International sales were up 5% (down 5% versus first-half 2019).

[1] At constant exchange rates and excluding principal disposals and acquisitions

[2] Excluding €140 million related to preliminary studies and preparatory works booked previously

The construction businesses reported current operating profit of €83 million, which represented a very sharp year-on-year improvement of €520 million and a higher level than in first-half 2019. The current operating margin in first-half 2021 was 0.6% and therefore higher than in both first-half 2020 (-4%) and first-half 2019 (0.5%). It was notably boosted by a significant improvement in profitability at Colas, due to an early resumption of activities in Canada, the first positive effects of plans to optimize its industrial activities and the new organization of Colas France.
The €77-million operating profit reported by the construction businesses represented an improvement of €559 million versus first-half 2020. It included non-current charges of €6 million related to adaptation measures at Bouygues Immobilier (versus €45 million at Colas in first-half 2020).

TF1

French viewers' demand for TV remained strong in first-half 2021. Average daily viewing time was 3 hours 45 minutes among individuals aged 4 and over, down year-on-year but 17 minutes more than at end-June 2019. Audience share among key targets rose, up 1.6 points to 33.5% for women under 50 who are purchasing decision-makers, and up 0.9 points to 30.5% for individuals aged 25 to 49.

In this environment, **TF1** reported a 28% year-on-year increase in sales to €1.1 billion in the first half of 2021, driven by:

- strong momentum in TV ad spending in second-quarter 2021 versus second-quarter 2020, which was affected by the first lockdown;
- strong sales growth in Newen Studios' production activities, most shooting having been suspended for nearly two months in the first half of 2020.

Current operating profit in the first half of 2021 was €169 million, up €101 million year-on-year. The current operating margin improved substantially as a result, rising by 7.3 points year-on-year to 15.0%, higher than in the first half of 2019.

Operating profit included non-current charges of €2 million related to the proposed merger between TF1 and M6.

A first milestone was reached in the proposed merger between TF1 and M6. Following favorable opinions from employee representative bodies of Bouygues, TF1 and M6 at the end of June 2021, the Bouygues and RTL groups signed agreements in early July related to the proposed merger.

The closing of the transaction remains subject to regulatory approvals from the French competition authority and the French broadcasting authority (CSA), who are now in a position to complete their analysis of the deal according to the initially agreed timetable.

BOUYGUES TELECOM

Bouygues Telecom continued its growth momentum in the first half of 2021.

At end-June 2021, mobile plan customers excluding MtoM reached 14.5 million, thanks to the integration of BTBD's 2.1 million customers on 1 January 2021 and the gain of 258,000 new customers in the first half 2021. In fixed, the company had 1.9 million FTTH customers at end-June 2021, thanks to 346,000 new adds in the first half of 2021. 45% of fixed customers now subscribe to an FTTH offer, versus 30% a year earlier. Bouygues Telecom had 20.9 million FTTH premises marketed at end-June 2021, mainly due to accelerated roll-out in the regions. Alongside this faster roll out, Bouygues Telecom has introduced a sales and marketing network that is closer to customers. The company had a 15.6%[1] share of the national FTTH market at end-March, greater than

[1] Data from the Arcep Observatory of Q1 2021

its share of the DSL market. Overall, the fixed customer base reached 4.3 million clients, with 131,000 new adds in the first half of the year.

This good commercial momentum was reflected in Bouygues Telecom's sales performance. Sales in the first half of 2021 were €3.5 billion, up 14% versus end-June 2020 (up 5% like-for-like).
Sales from services rose 14% (up 5% excluding the integration of BTBD), boosted by the growth of the mobile and fixed customer base and higher ABPU[1] (mobile ABPU, restated for the impact of roaming, rose €0.7 year-on-year to €20.4 per customer per month[2], while fixed ABPU rose €0.6 year-on-year to €27.8 per customer per month).
Other sales rose 14% year-on-year in the first half of the year, driven by growth in sales of handsets.

EBITDA after Leases was €758 million, up €47 million versus end-June 2020, a 7% increase in line with the annual target.
As expected, the EBITDA after Leases margin was 2 points lower than in the first half of 2020 due to the dilutive effect of integrating BTBD, a change in the revenue mix related to the ramp-up of FTTH, where the gross margin is lower than in the mobile business, and a €10 million decline in roaming in first-half 2021 versus first-half 2020.

Operating profit in the first half of 2021 was €335 million, up €81 million year-on-year. This included net non-current income of €91 million (versus €1 million at end-June 2020), essentially related to the capital gain on the sale of data centers.

Gross capex at end-June 2021 was €754 million, up €173 million year-on-year, related to the strategy of enhancing network quality and the investments needed for the BTBD integration and for the 5G roll out. Disposals over the same period amounted to €172 million, essentially related to data centers.

ALSTOM

Alstom's contribution to the Group's net profit was €219 million in the first half of 2021, versus €35 million in the first half of 2020. It includes:

- €120 million from transactions in the first quarter (capital increases by Alstom in January 2021, Bouygues' sale of Alstom shares in March 2021, Bouygues' share of Alstom's profit in second-half 2020/21);
- €99 million related to Bouygues' sale of Alstom shares in June 2021, which includes a fair value remeasurement of €6 million in respect of the residual equity interest, upon loss of significant influence over Alstom.

At 30 June 2021, Bouygues' residual interest in Alstom (0.16% of share capital) was measured at fair value through equity in "Other non-current financial assets" for €25 million.

FINANCIAL SITUATION

During the first half of 2021, Bouygues renewed its medium- and long-term credit facilities as they expired, without financial covenants. At end-June, the average maturity of the Group's bonds was 4.7 years and the average coupon on the bonds was 2.93%. The debut maturity schedule is evenly spread.

Net debt at end-June 2021 was €2.8 billion, a year-on-year improvement of €1.1 billion. The high level of cash generated by operations (€1.9 billion) plus €1.4 billion from sales of Alstom shares in November 2020, March 2021 and June 2021 were sufficient to cover the payment of €1.4 billion in dividends over the period (in September 2020 and May 2021) and the acquisition of BTBD for €0.8 billion.

[1] ABPU excluding BTBD
[2] €19.8 excluding restatement for roaming

The Group had €3.6 billion in cash at end-June 2021. Unused medium- and long-term credit facilities amounted to €8.2 billion. Total available cash was therefore €11.8 billion at end-June 2021 versus €11.1 billion at end-June 2020.

The most recent long-term credit ratings from Moody's and Standard & Poor's were A3, stable outlook (5 January 2021) andA-, negative outlook (8 December 2020) respectively.

GOVERNANCE

On 24 August 2021, the Bouygues Construction Board of Directors appointed Pascal Minault as Chairman and CEO. He will replace Philippe Bonnave who joins Bouygues SA to work alongside senior management on construction matters.

FIRST-HALF 2021 BUSINESS ACTIVITY

BACKLOG AT THE CONSTRUCTION BUSINESSES

(€ million)	End-June 2020	End-June 2021	Change
Bouygues Construction	23,246	20,966	-10%
Bouygues Immobilier	2,386	1,954	-18%
Colas	10,065	10,333	3%
Total	35,697	**33,253**	-7%

BOUYGUES CONSTRUCTION ORDER INTAKE

(€ million)	H1 2020	H1 2021	Change
France	2,008	2,016	0%
International	4,249	2,995	-30%
Total	6,257	**5,011**	-20%

BOUYGUES IMMOBILIER RESERVATIONS

(€ million)	H1 2020	H1 2021	Change
Residential property	887	972	10%
Commercial property	5	61	nm
Total	892	**1,033**	16%

COLAS BACKLOG

(€ million)	End-June 2020	End-June 2021	Change
Mainland France	3,581	3,370	-6%
International and French overseas territories	6,484	6,963	7%
Total	10,065	**10,333**	3%

TF1 AUDIENCE SHARE [a]

(%)	End-June 2020	End-June 2021	Change
Total	31.9	**33.5**	+1.6 pts

(a) Source Médiamétrie – Women under 50 who are purchasing decision-makers

BOUYGUES TELECOM CUSTOMER BASE

('000)	End-Dec 2020	End-June 2021	Change
Mobile customer base excl. MtoM	12,473	14,764	+2,291
Mobile plan base excl. MtoM	12,149	14,462	+2,313
Total mobile customers	18,755	**21,366**	+2,611
Total fixed customers	4,163	**4,294**	+131

FIRST-HALF 2021 FINANCIAL PERFORMANCE

GROUP CONDENSED CONSOLIDATED INCOME STATEMENT

(€ million)	H1 2020	H1 2021	Change
Sales	14,758	17,417	+18% [a]
Current operating profit/(loss)	(132)	471	+€603m
Other operating income and expenses	(44) [b]	80 [c]	+€124m
Operating profit/(loss)	(176)	551	+€727m
Cost of net debt	(94)	(75)	+€19m
Interest expense on lease obligations	(25)	(26)	-€1m
Other financial income and expenses	(13)	(19)	-€6m
Income tax	12	(146)	-€158m
Share of net profits of joint ventures and associates	77	201	+€124m
o/w Alstom	*35*	*219*	*+€184m*
Net profit from continuing operations	(219)	**486**	+€705m
Net profit attributable to non-controlling interests	(25)	(78)	-€53m
Net profit/(loss) attributable to the Group	(244)	**408**	+€652m

(a) *Up 17% like-for-like and at constant exchange rates*
(b) *Including non-current charges of €45m at Colas related to the reorganization of the roads activities in France and the continued dismantling of the Dunkirk site*
(c) *Including non-current charges of €6m at Bouygues Immobilier related to adaptation measures and of €2m at TF1 related to the proposed merger between TF1 and M6, and non-current income of €91m at Bouygues Telecom essentially related to the capital gain on the sale of data centers*

CALCULATION OF GROUP EBITDA AFTER LEASES

(€ million)	H1 2020	H1 2021	Change
Current operating profit/(loss)	(132)	471	+€603m
Interest expense on lease obligations	(25)	(26)	-€1m
Net charges for depreciation, amortization and impairment losses on property, plant and equipment and intangible assets	846	989	+€143m
Charges to provisions and other impairment losses, net of reversals due to utilization	81	127	+€46m
Reversals of unutilized provisions and impairment losses and other	(147)	(131)	+€16m
EBITDA after Leases [a]	623	**1,430**	+€807m

(a) See glossary for definitions

GROUP SALES BY SECTOR OF ACTIVITY

(€ million)	H1 2020	H1 2021	Change	Forex effect	Scope effect	Lfl & constant fx [c]
Construction businesses [a]	10,842	12,822	18%	1%	0%	19%
o/w Bouygues Construction	*5,321*	*6,337*	*19%*	*1%*	*0%*	*20%*
o/w Bouygues Immobilier	*701*	*981*	*40%*	*0%*	*0%*	*40%*
o/w Colas	*4,870*	*5,591*	*15%*	*1%*	*0%*	*16%*
TF1	884	1,129	28%	0%	0%	28%
Bouygues Telecom	3,042	3,471	14%	0%	-9%	5%
Bouygues SA and other	93	104	nm	-	-	nm
Intra-Group elimination [b]	(153)	(196)	nm	-	-	nm
Group sales	14,758	**17,417**	18%	1%	-2%	17%
o/w France	*8,539*	*10,852*	*27%*	*0%*	*-3%*	*24%*
o/w international	*6,219*	*6,565*	*6%*	*2%*	*0%*	*7%*

(a) *Total of the sales contributions (after eliminations within the construction businesses)*
(b) *Including intra-Group eliminations of the construction businesses*
(c) *Like-for-like and at constant exchange rates*

CONTRIBUTION TO GROUP EBITDA AFTER LEASES BY SECTOR OF ACTIVITY

(€ million)	H1 2020	H1 2021	Change
Construction businesses	(232)	357	+€589m
o/w Bouygues Construction	*(62)*	*254*	*+€316m*
o/w Bouygues Immobilier	*(37)*	*27*	*+€64m*
o/w Colas	*(133)*	*76*	*+€209m*
TF1	160	322	+€162m
Bouygues Telecom	711	758	+€47m
Bouygues SA and other	(16)	(7)	+€9m
Group EBITDA after Leases [a]	623	**1,430**	+€807m

(a) See glossary for definitions

CONTRIBUTION TO GROUP CURRENT OPERATING PROFIT BY SECTOR OF ACTIVITY

(€ million)	H1 2020	H1 2021	Change
Construction businesses	(437)	83	+€520m
o/w Bouygues Construction	*(95)*	*166*	*+€261m*
o/w Bouygues Immobilier	*(38)*	*17*	*+€55m*
o/w Colas	*(304)*	*(100)*	*+€204m*
TF1	68	169	+€101m
Bouygues Telecom	253	244	-€9m
Bouygues SA and other	(16)	(25)	-€9m
Group current operating profit/(loss)	(132)	**471**	+€603m

CONTRIBUTION TO GROUP OPERATING PROFIT BY SECTOR OF ACIVITY

(€ million)	H1 2020	H1 2021	Change
Construction businesses	(482)	77	+€559m
o/w Bouygues Construction	*(95)*	*166*	*+€261m*
o/w Bouygues Immobilier	*(38)*	*11*	*+€49m*
o/w Colas	*(349)*	*(100)*	*+€249m*
TF1	68	167	+€99m
Bouygues Telecom	254	335	+€81m
Bouygues SA and other	(16)	(28)	-€12m
Group operating profit	(176) [a]	**551** [b]	+€727m

(a) *Including non-current charges of €45m at Colas related to the reorganization of the roads activities in France and the continued dismantling of the Dunkirk site*

(b) *Including non-current charges of €6m at Bouygues Immobilier related to adaptation measures and of €2m at TF1 related to the proposed merger between TF1 and M6, and non-current income of €91m at Bouygues Telecom essentially related to the capital gain on the sale of data centers*

CONTRIBUTION TO NET PROFIT ATTRIBUTABLE TO THE GROUP

(€ million)	H1 2020	H1 2021	Change
Construction businesses	(384)	5	+€389m
o/w Bouygues Construction	*(66)*	*119*	*+€185m*
o/w Bouygues Immobilier	*(33)*	*(6)*	*+€27m*
o/w Colas	*(285)*	*(108)*	*+€177m*
TF1	17	47	+€30m
Bouygues Telecom	142	199	+€57m
Alstom	35	219	+€184m
Bouygues SA and other	(54)	(62)	-€8m
Net profit/(loss) attributable to the Group	(244)	**408**	+€652m

NET SURPLUS CASH (+)/NET DEBT (-) BY BUSINESS SEGMENT

(€ million)	End-Dec 2020	End-June 2021	Change
Bouygues Construction	3,143	2,696	-€447m
Bouygues Immobilier	(306)	(400)	-€94m
Colas	(7)	(631)	-€624m
TF1	(1)	34	+€35m
Bouygues Telecom	(1,740)	(2,229)	-€489m
Bouygues SA and other	(3,070)	(2,283)	+€787m
Net surplus cash (+)/net debt (-)	(1,981)	**(2,813)**	-€832m
Current and non-current lease obligations	(1,733)	(1,777)	-€44m

CONTRIBUTION TO GROUP NET CAPITAL EXPENDITURE BY SECTOR OF ACTIVITY

(€ million)	H1 2020	H1 2021	Change
Construction businesses	111	86	-€25m
o/w Bouygues Construction	*37*	*45*	*+€8m*
o/w Bouygues Immobilier	*2*	*2*	*€0m*
o/w Colas	*72*	*39*	*-€33m*
TF1	107	122	+€15m
Bouygues Telecom	387	582	+€195m
Bouygues SA and other	2	0	-€2m
Group net capital expenditure	607	**790**	+€183m

CONTRIBUTION TO GROUP FREE CASH FLOW BY SECTOR OF ACTIVITY

(€ million)	H1 2020	H1 2021	Change
Construction businesses	(454)	94	+€548m
o/w Bouygues Construction	*(135)*	*136*	*+€271m*
o/w Bouygues Immobilier	*(50)*	*12*	*+€62m*
o/w Colas	*(269)*	*(54)*	*+€215m*
TF1	22	166	+€144m
Bouygues Telecom	233	93	-€140m
Bouygues SA and other	(25)	(21)	+€4m
Group free cash flow [a]	(224)	**332**	+€556m

(a) See glossary for definitions

REMINDER OF THE ESTIMATED COVID IMPACTS IN FIRST-HALF 2020

(€ million)	Sales	Current operating profit/(loss)
Construction businesses	-2,460	-530
o/w Bouygues Construction	*-1,250*	*-290*
o/w Bouygues Immobilier	*-400*	*-50*
o/w Colas	*-810*	*-190*
TF1	-250	-100
Bouygues Telecom	-70	-20

REMINDER OF THE FIRST-HALF 2019 FINANCIAL PERFORMANCE

(€ million)	H1 2019
Group sales	17,446
Group current operating profit/(loss)	453
o/w construction businesses	*72*
Bouygues Construction	*179*
Bouygues Immobilier	*29*
Colas	*(136)*
o/w TF1	163
o/w Bouygues Telecom	230
Current operating margin	*2.6%*
Group operating profit	495
Net profit/(loss) attributable to the Group	225

2. GOVERNANCE AND SHARE OWNERSHIP

2.1. Composition of the Board of Directors and Committees

Composition of the Board of Directors at 30 June 2021

Members of the SCDM[1] group

Martin Bouygues
Chairman

Olivier Bouygues
Director

Directors representing the SCDM group

Cyril Bouygues
Standing representative of SCDM Participations

Edward Bouygues
Standing representative of SCDM and Deputy CEO

Independent directors

Pascaline de Dreuzy
Clara Gaymard
Colette Lewiner
Benoît Maes
Rose-Marie Van Lerberghe

Other director

Alexandre de Rothschild

Directors representing employee shareholders

Raphaëlle Deflesselle
Michèle Vilain

Directors representing employees

Bernard Allain
Béatrice Besombes

[1] SCDM is a company controlled by Martin and Olivier Bouygues.

Board Committees

Audit Committee

Benoît Maes (Chairman)
Pascaline de Dreuzy
Clara Gaymard
Michèle Vilain

Selection and Remuneration Committee

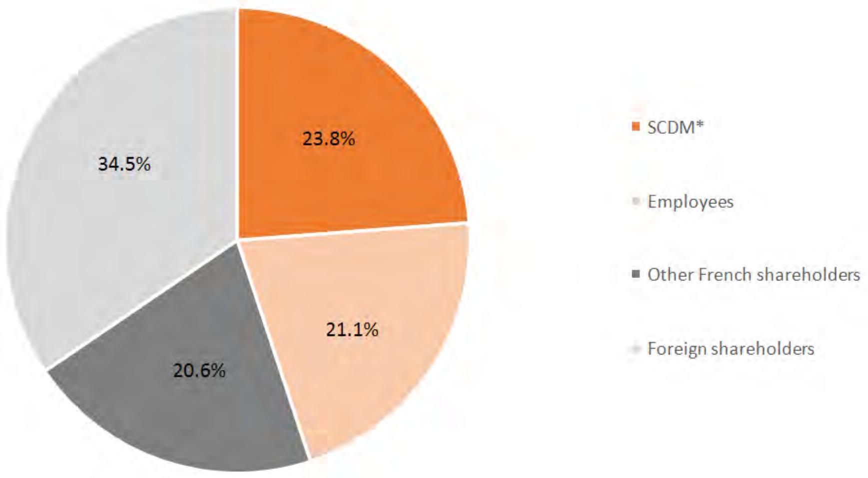
Colette Lewiner (Chairwoman)
Bernard Allain
Pascaline de Dreuzy
Benoît Maes

Ethics, CSR and Patronage Committee

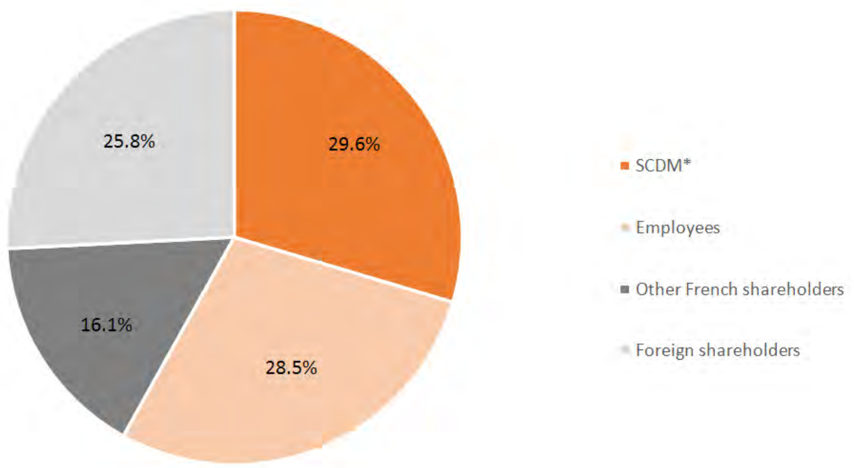
Rose-Marie Van Lerberghe (Chairwoman)
Raphaëlle Deflesselle
Clara Gaymard

2.2. Bouygues share ownership at 30 June 2021

Main shareholders at 30 June 2021



Voting rights at 30 June 2021



* SCDM is a company controlled by Martin and Olivier Bouygues

3. FIRST-HALF REVIEW OF OPERATIONS

Reminder: for all business segments, see the glossary in section 6 for the full definition of key indicators.

3.1. Bouygues Construction

A global player in construction with operations in over 60 countries, Bouygues Construction designs, builds, renovates, operates and deconstructs building, infrastructure and industrial projects.

3.1.1. Key figures

KEY FIGURES (€ million)	FIRST HALF 2020	FIRST HALF 2021	CHANGE
Sales	**5,321**	**6,337**	**+19%** [a]
o/w France	*1,881*	*2,702*	*+44%*
o/w international	*3,440*	*3,635*	*+6%*
Current operating profit/(loss)	**(95)**	**166**	**+€261m**
Current operating margin	*-1.8%*	*2.6%*	*+4.4 pts*
Operating profit/(loss)	**(95)**	**166**	**+€261m**
Net profit/(loss) attributable to the Group	**(66)**	**119**	**+€185m**

(a) 20% like-for-like and at constant exchange rates

Sales in the first half of 2021 stood at €6,337 million, a year-on-year increase of €1,016 million, or up 19%. The rise was mainly due to the impact of the pandemic on activity in the first half of 2020, estimated at -€1,250 million.

Building and civil works accounted for 70% of sales (€4,488 million) and energies and services for 30% (€1,889 million).

International sales stood at €3,635 million, €195 million more than at end-June 2020, up 6%. Sales in France rose €821 million over the same period to €2,702 million, an increase of 44%. The upturn was substantially greater in France than in international markets due to the impact of lockdown and the gradual resumption of activity in the spring of 2020.

Like-for-like and at constant exchange rates, sales at Bouygues Construction were €1,058 million higher than in the first half of 2020, up 20%.

Bouygues Construction reported current operating profit of €166 million in the first half of 2021, after a loss of €95 million in the first half of 2020, reflecting the impact of Covid-19, estimated at -€290 million.

The current operating margin showed a marked improvement as a result, rising 4.4 pts to 2.6%.

Net profit attributable to the Group was €119 million, €185 million more than in the first half of 2020.

In 2020, in the context of the health crisis, Bouygues Construction took the necessary steps to ensure a rapid return to nominal activity and profitability, including catch-up measures, negotiating customers' partial assumption of excess costs, and cost-saving plans.

In a wider perspective, Bouygues Construction can count on:

- backlog at end-June 2021 of €21 billion, comparable to the level in 2019, providing good visibility on future activity;
- a high level of net surplus cash, which stood at €2,696 million at end-June 2021, €97 million more than at the same time in the previous year.

3.1.2. First-half highlights

Bouygues Construction won a number of significant contracts in the first six months of 2021, especially in the energies and services businesses. Order intake stood at €5,010 million at end-June 2021, compared with €6,257 million at end-June 2020, boosted at the time by substantial orders for the C1 section of the HS2 high-speed rail line in the United Kingdom, worth €1.1 billion.

- In France, order intake was stable at €2,016 million. In the building sector, it included several rail station projects in the Paris region, such as those at Villejuif and Le Bourget, worth €60 million and €59 million respectively. Bouygues Construction was also awarded the €66-million project to renovate the Gaumont Opéra cinema on Boulevard des Capucines in central Paris.
- International order intake in the first half of 2021 stood at €2,995 million. Bouygues Construction was awarded a number of data centre projects in the UK, including a €107-million contract for Virtus London 8, and in Australia, with a €100-million contract for Equinix SY09. In the building sector, order intake included a number of contracts in Europe, such as the Petit-Saconnex mixed development project in Switzerland for €108 million and the Villa Lucia in Monaco for €82 million. In Canada, Bouygues Construction won a major contract for the New St Paul's Hospital in Vancouver for €190 million.

The backlog at 30 June 2021 stood at €21 billion, 10% lower than at end-June 2020, when it reached a record level. The proportion of orders in international markets (62%) was stable year-on-year. The proportion of backlog in Europe (excluding France), the largest in international markets ahead of the Asia-Pacific geographical area, was stable year-on-year. Backlog in the Americas rose 16%.

Building and civil works

The resumption of activity and catch-up investment in 2021 have been driven by needs for infrastructure and buildings in both emerging and developed countries.

Growth has been stronger in civil works than in residential building, sustained by the stimulus plans announced in mature countries where Bouygues Construction is a long-standing player (France, the United Kingdom, Canada and other EU countries). The recovery is likely to be less strong in the non-residential segment.

Building and civil works activity in the first half of 2021 stood at €4,448 million, up €715 million on the first half of 2020, a rise of 19%.

France: €2,010 million (+45%)

In the building segment in the Paris region, work started on a number of major projects, including the operations and maintenance centre for Lines 16 and 17 of the Grand Paris Express and the Aquatic Centre at La Plaine Saint-Denis for the 2024 Olympic Games. Work continued on two eco-neighbourhoods, Issy Cœur de Ville in Issy-les-Moulineaux and Eole Evangile in Paris, and the renovation of 17 Boulevard Morland in central Paris. Outside the Paris region, work continued on the Co'Met entertainment complex in Orléans.

The civil works activity was boosted by projects for the Grand Paris major infrastructure programme, such as packages T2A and T3A for the southern extension of metro Line 15 and the RER Eole East-West Express Rail Link from Saint-Lazare railway station to La Défense. Outside the Paris region, work continued on the Fécamp offshore wind farm and the harbour extension at Port-la-Nouvelle, while the Calais port extension neared completion.

Europe (excluding France): €1,144 million (+20%)

In the United Kingdom, Bouygues Construction continued to work on high value-added projects in the education and research sectors, including the construction of an Innovation campus for the University of Cardiff, and urban regeneration schemes like the Hallsville Quarter project in the London Borough of Newham. Work also continued on the Hinkley Point C nuclear plant.

In Switzerland, Bouygues Construction completed several eco-neighbourhood projects, such as Green City in Zurich, and started work on new property development projects in Geneva.

In Croatia, Bouygues Construction boosted its activity with the construction of the Učka tunnel on the Istria motorway and continued the dualling (to a dual two-lane) of a 28-kilometre stretch of the same motorway.

International (excluding Europe): €1,294 million (-7%)

In Asia-Pacific, Bouygues Construction has developed its expertise through its building and civil works subsidiaries, especially in Hong Kong, Singapore and Australia.

In Hong Kong, work continued on the Trunk Road and Central Kowloon Route underground projects. Bouygues Construction started construction of the first diaphragm wall panel on the T2 project in May 2021.

In Australia, Bouygues Construction continued work on the WestConnex motorway tunnel in Sydney and the Melbourne metro. It has expanded its presence in the country, where it also builds data centres, hospitals and infrastructure projects like the Crows Nest metro station in Sydney, work on which started in May 2021.

Bouygues Construction is a recognised player in the building segment in South-East Asia, especially for high-rise buildings such as the United Overseas Bank headquarters in Bangkok.

In the Philippines, work continued on the Manilla metro and the construction of a bridge for the new North–South Commuter Railway network (NSCR).

In Cuba, Bouygues Construction took orders for new projects in 2021.

Energies and Services

The Energies and Services arm, made up of Bouygues Energies & Services, Bouygues Energies & Services InTec and Kraftanlagen, has three main business lines: digital network infrastructure, electrical and HVAC engineering and facilities management.

The Energies and Services arm contributed €1,889 million to Bouygues Construction’s consolidated sales in the first half of 2021, €301 million more than in the first half of 2020, a rise of 19%.

France: €692 million (+40%)

Bouygues Energies & Services provides network infrastructure, in particular in support of local authorities' digital development plans. These activities are carried out in partnership with Axione. With over 1 million secured premises, Bouygues Energies & Services is a major player in optical fibre in France and has ongoing projects in Brittany, the Oise department north of Paris, and northern France.

Bouygues Energies & Services provides expertise in electrical and HVAC engineering, for example with the electrical and HVAC (heating, ventilation and air conditioning) packages for the renovation of Store 3 of La Samaritaine in central Paris, work on which was completed in May.

Bouygues Energies & Services also has contracts to operate and maintain a number of public and private facilities in France, such as the Paris law courts and the Ministry of Defence.

In a consortium with Citelum (a subsidiary of EDF), Suez and Capgemini, Bouygues Energies & Services has designed and now operates France's first smart-city project in Dijon. The 12-year contract covers the management of a connected control station for public facilities serving the 250,000 people who live in the Dijon metropolitan area.

International: €1,197 million (+10%)

In major power grid infrastructure projects, Bouygues Energies & Services develops turnkey photovoltaic solutions, as in Australia, where it was awarded the major Suntop solar farm project. Kraftanlagen designs and renovates conventional power plants, in particular at Leuna in eastern Germany.

Bouygues Energies & Services has acknowledged expertise in data centres, especially around London, where it is currently building and providing mechanical and electrical engineering services for a seventh data centre for the British data management company Virtus.

Bouygues Energies & Services provides facilities management mainly in the United Kingdom, for the Metropolitan Police in south-east London for example, and in Canada, for Surrey Hospital and the Royal National Mounted Police headquarters. Facilities management gives Bouygues Energies & Services a long-term revenue stream.

3.1.3. Outlook

Bouygues Construction has good visibility on its future activity and robust fundamentals, while prioritising the health and safety of its employees and project partners:

- backlog, with orders secured at 30 June 2021 worth €5.5 billion for the rest of the year and medium-term backlog of orders (from 1 January 2022) worth €15.5 billion;
- sustained and diversified international activity in countries with favourable structural and economic fundamentals (Switzerland, the United Kingdom, Australia, Canada and Germany, etc.), which are highly rated by the NGO Transparency International;
- a sound financial structure, with net surplus cash of €2.7 billion at 30 June 2021;
- a cost model with a substantial proportion of variable costs and a capacity to adapt that enables the company to cope with unexpected events;
- a lead in sustainable construction, to which a substantial proportion of the R&D budget is devoted;
- a strong commitment to shared innovation for the benefit of customers.

Furthermore, as regards the Energies and Services arm, the process of restoring its margins should enable it to achieve a current operating margin of over 5% in the medium term.

Tight control over the execution of major projects, innovation and a selective approach to orders will continue to be central priorities for Bouygues Construction.

3.2. Bouygues Immobilier

As a benchmark urban developer-operator in France, Bouygues Immobilier provides innovative and sustainable solutions to meet the needs of urban environments and of its customers, with the aim of creating better living.

3.2.1. Key figures

KEY FIGURES (€ million)	FIRST HALF 2020	FIRST HALF 2021	CHANGE
Sales	**701**	**981**	**+40% [a]**
o/w residential property	*644*	*893*	+39%
o/w commercial property	*57*	*88*	+54%
Current operating profit/(loss)	**(38)**	**17**	**+€55m**
Current operating margin	*-5.4%*	*1.7%*	*+7.1 pts*
Operating profit/(loss)	**(38)**	**11 [b]**	**+€49m**
Net profit/(loss) attributable to the Group	**(33)**	**(6)**	**+€27m**

(a) *Up 40% like-for-like and at constant exchange rates*
(b) *Including non-current charges of €6 million related to adaptation measures*

The health crisis had a strong impact on Bouygues Immobilier's sales and profitability in 2020: reservations and notarised sales ceased entirely between 17 March and 10 May and 95% of transactions were suspended during that time.

Bouygues Immobilier reported sales of €981 million in the first half of 2021, 40% more than in the first half of 2020 (up 39% in residential property and up 54% in commercial property).

Current operating profit stood at €17 million, an improvement of €55 million on the first half of 2020, due to a recovery in both the property development and commercial property activities.

Bouygues Immobilier reported a net loss attributable to the Group of €6 million in the first half of 2021, an improvement of €27 million on the first half of 2020.

3.2.2. First-half highlights

The health crisis amplified the slowdown on the French property market which had begun in 2019, a pre-election year. In 2020 and 2021, the health crisis and the large-scale renewal of municipal officials following local elections greatly slowed the process of obtaining administrative authorisations, affecting the number of homes offered for sale.

In the residential property segment, a long lockdown greatly curbed activity in the first half of 2020. Issuance of building permits automatically increased in the first half of 2021, rising 25% on first-half 2020; the same was true of reservations (up 29% in first-half 2021 versus first-half 2020) and new housing starts (up 23% versus first-half 2020).

In the commercial property segment, activity picked up again in the first half of 2021 after a crisis-hit year in 2020: take-up improved substantially (765,000 m^2, up 14% versus first-half 2020), though without regaining its pre-crisis vitality (down 28% versus the ten-year average).

The upturn in investment in the Paris region seen in the first quarter of 2021 came to a halt in the second quarter of 2021: the €1.9 billion invested during the second quarter marked the lowest level of the last ten years. As a result, investment in the first half of 2021 – which stood at €5.2 billion – was 35% lower than in first-half 2020.

These ongoing exceptional circumstances impacted Bouygues Immobilier's commercial activity in both the residential and the commercial property segments in the first half of 2021.

RESERVATIONS (€ million)	FIRST HALF 2020	FIRST HALF 2021	CHANGE
Residential property [a]	887	972	+85
Commercial property	5	61	+56
Total reservations [b]	**892**	**1,033**	**+141**

(a) *Residential reservations include building land*
(b) *Definition: residential property reservations are reported net of cancellations. Commercial property reservations are firm orders which cannot be cancelled (notarised deeds of sale)*

In residential property, notarised unit sales bounced back sharply versus first-half 2020, rising 19%; the increase in notarised block sales was more moderate, up 7% versus first-half 2020. As a reminder, reservations in the first half of 2020 included €296 million related to an agreement with CDC Habitat for a block sale of residential properties.

In a market still impacted by longer lead times for obtaining building permits, residential property reservations were up 10% versus first-half 2020.

A number of major residential property projects were handed over in the first half of 2021, including:

- the first tranche of the multi-product Hôtel-Dieu programme in Clermont-Ferrand (317 student units, 243 units for first-time buyers), involving the restoration of a listed building;
- the second tranche of the premium D'Une Rive à L'Autre programme in Neuilly-sur-Seine (173 apartments, making a total of 285 after handover of the first tranche in 2020).

Commercial launches took place and work started on several developments, especially in the second half of 2021:

- in Tours, commercial launch of the MyCampus student residence (52 studios, two 2-room and one 4-room flatshares) marked the start of the Kipolis mixed-use development (32,112 m² floor area) involving the transformation of a former brownfield site into a sustainable neighbourhood aiming for the BiodiverCity label;
- in Lyon's Confluence district, Bouygues Immobilier started work on the Actif and Participatif blocks of the Sollys project, involving the development of seven buildings with a floor area of 20,377 m². Energy for the environment-friendly project will be provided by France's first collective self-consumption solution;
- at Chessy in the Paris region, the 80-unit Rhapsody in Blue programme launched in March 2021 will combine all the styles of Art Deco architecture.

In the commercial property segment, in April Bouygues Immobilier handed over the Nexans NRC mixed-use development in Lyon, comprising 6,000 m² of office space and laboratories for the Nexans group's R&D operations. Sustainability is embedded in the building's design, since it is both modular and reversible.

In April 2021, the company submitted a building-permit application for the EDA project, selected as part of the "Invent the Grand Paris Metropolitan Area 2" consultation. Designed by the Japanese architect Kengo Kuma, it aims to form a link between Issy-les-Moulineaux and the 15th arrondissement of Paris. The mostly tertiary complex will include 13,300 m² of office space but will also embrace its urban location with a 1,800-m² comaking space/incubator, a 750-m² urban logistics space and 450 m² of retail space. EDA will aim to keep its environmental impact to a minimum, in particular by using biosourced or repurposed materials.

BACKLOG (€ million)	END-JUNE 2020	END-JUNE 2021	CHANGE
Backlog	**2,386**	**1,954**	**-432**
o/w residential property	2,201	1,878	-323
o/w commercial property	185	75	-110

Bouygues Immobilier's backlog at end-June 2021 stood at €1,954 million, representing 10 months of sales, down 18% versus first-half 2020.

3.2.3. Outlook

The global health crisis has left a lasting scar on the property market in France, which has not returned to its pre-crisis level. The fundamentals in the residential property segment are still favourable, however, including strong demand, low interest rates and continuation of the Pinel tax incentive and the zero-interest loan scheme. In commercial property, wider use of teleworking could change the breakdown of the market between three segments: working from home, working at the office and working on the move in third places.

Against the background of a broad recovery in the property sector, Bouygues Immobilier is seeing strong commercial momentum and an improvement in both sales and profitability versus the first half of 2020. However, the sector continues to find it hard to secure land for building, and lead times for obtaining building permits are lengthening.

Bouygues Immobilier will continue to use its expertise and advantages to adapt its products to new market conditions, offering low-carbon buildings, brownfield rehabilitation, housing suited to working from home and tertiary solutions which provide flexibility and security by combining office space with coworking through Wojo, a joint subsidiary with Accor hotels.

3.3. Colas

Colas designs, builds and maintains transport infrastructure responsibly, basing itself on its strong grassroots presence worldwide. Operating in over 50 countries worldwide, Colas aims to be the world leader in innovative and responsible mobility solutions.

3.3.1. Key figures

KEY FIGURES (€ million)	FIRST HALF 2020	FIRST HALF 2021	CHANGE
Sales	**4,870**	**5,591**	**+15%** [a]
o/w France	*2,236*	*2,836*	*+27%*
o/w international	*2,634*	*2,755*	*+5%*
Current operating profit/(loss)	**(304)**	**(100)**	**+€204m**
Current operating margin	*-6.2%*	*-1.8%*	*+4.4 pts*
Operating profit/(loss)	**(349)** [b]	**(100)**	**+€249m**
Net profit/(loss) attributable to the Group	**(295)**	**(112)**	**+€183m**

(a) *Up 16% like-for-like and at constant exchange rates*
(b) *Including non-current charges of €45 million related to reorganisation of the roads activities in France and the continued dismantling of the Dunkirk site*

3.3.2. First-half highlights

Principal order intakes

- €157-million contract to strengthen the "Route de l'Est" road and build engineering structures in Ivory Coast
- €94-million, seven-year road maintenance contract for the town of New Liskeard in Ontario (Canada)
- €77-million contract to turn the Yellowhead Trail expressway into a freeway at Edmonton in Alberta (Canada)
- €76-million contract to upgrade the Belotin-Rybi section of the D48 motorway in the Czech Republic
- €56-million contract to provide the power supply and catenaries for the Verona-Vicenza high-speed rail line in Italy

Seasonal factors

Most of the Group's activities are highly seasonal by nature, resulting in an operating loss in the first half of each year.

Backlog

The backlog at end-June 2021 stood at a record €10.3 billion, up 4% year-on-year at constant exchange rates.

The backlog in mainland France was €3.4 billion, down 6% year-on-year. It was lower in the rail business but remained stable in the roads business.

The backlog in international markets and French overseas territories was €7 billion, up 7% year-on-year (up 10% at constant exchange rates), boosted by the award of major road contracts in Canada in the second quarter. The international backlog at Colas Rail was stable, though significant orders are expected in the second half of the year.

International markets and French overseas territories account for 67% of Colas' total backlog.

Sales by sector

Consolidated sales in first-half 2021 were €5.6 billion, up 15% on first-half 2020 (up 16% like-for-like and at constant exchange rates), driven by very good activity in the second quarter, when sales returned to their level of Q2 2019.

Sales in France in the first half of 2021 were €2.8 billion, up 27% year-on-year, and international sales were €2.8 billion, up 5% (up 7% like-for-like and at constant exchange rates).

The impact of the health crisis on sales in the first half of 2020 was estimated at around €810 million.

Sales by sector (€ million)	FIRST HALF 2020	FIRST HALF 2021	CHANGE	Lfl & constant fx [a]
Sales	**4,870**	**5,591**	**+15%**	**+16%**
o/w roads France/Indian Ocean	*2,101*	*2,650*	*+26%*	*+26%*
o/w roads Europe, Middle East & Africa	*916*	*933*	*+2%*	*+2%*
o/w roads US	*674*	*623*	*-8%*	*+1%*
o/w roads Canada	*456*	*540*	*+18%*	*+19%*
o/w roads Asia-Pacific	*184*	*198*	*+8%*	*+1%*
Total roads	**4,331**	**4,944**	**+14%**	**+15%**
Rail and other specialised activities	**534**	**642**	**+20%**	**+21%**
Holding company	**5**	**5**	**nm**	**nm**

(a) Like-for-like and at constant exchange rates

Roads

Sales in the roads activities in the first half of 2021 were €4.9 billion, up 15% like-for-like and at constant exchange rates.

- Sales in the France-Indian Ocean zone improved substantially, rising by 26% versus first-half 2020. This reflected a strong performance across all activities in the zone as well as a favourable comparison base, since work in the first half of 2020 was halted in mid-March and resumed gradually in April and May.
- Sales in EMEA (Europe, Middle East, Africa) and the United States improved slightly year-on-year, rising 2% and 1% respectively like-for-like and at constant exchange rates. Activity picked up well in the second quarter, having been hit in the first quarter by bad weather in both zones.
- Sales in Canada were up 19% like-for-like and at constant exchange rates, boosted by good weather since the start of the year.
- Sales in Asia-Pacific rose slightly, up 1% like-for-like and at constant exchange rates.

Rail and other activities

Sales in rail and other activities jumped 21% like-for-like and at constant exchange rates versus first-half 2020, driven mainly by the strong performance of Colas Rail in the United Kingdom. Sales at Colas Rail in France were also higher than in first-half 2020, returning to their level in first-half 2019.

Production of materials

A significant proportion of Colas' activity, both in France and abroad, consists in the production (including recovery and recycling) of construction materials, especially aggregates, from an international network of 478 working quarries and gravel pits, 151 emulsion plants, 538 asphalt plants and 192 ready-mix concrete plants. 43 million tonnes of aggregates were sold in the first half of 2021, up 19% on first-half 2020, as well as 568,000 tonnes of binders and emulsions (up 12%), 13 million tonnes of asphalt mix (up 14%) and 1.3 million cubic metres of ready-mix concrete (up 26%). Colas also has a major bitumen distribution activity from 71 bitumen storage depots.

Financial performance

Colas reported a current operating loss of €100 million in the first half of 2021, a substantial €204-million improvement on first-half 2020. This current operating loss was also smaller than in first-half 2019 (€136 million) thanks to an early start to activities in Canada, the initial effects of plans to optimise industrial activities and the new organisation of Colas France.

The health crisis was estimated to have amplified the current operating loss in first-half 2020 by around €190 million, through loss of current operating margin and unavoidable costs.

The share of profits from joint ventures and associates was €4 million at end-June 2021, the same as in first-half 2020. The €10-million contribution from Tipco Asphalt was €2 million more than at end-June 2020.

The net loss attributable to the Group in the first half of 2021 was €112 million, versus €295 million at end-June 2020 and €102 million at end-June 2019.

Net debt

Net debt at 30 June 2021 stood at €631 million, compared with €1,065 million at end-June 2020. This improvement was due to better results, a steady working capital requirement and tight control of capital expenditure.

3.3.3. Outlook

The outlook given below assumes that there will be no further deterioration due to the health crisis.

On the basis of the good recovery in activity in the second quarter, sales in 2021 are expected to be significantly higher than in 2020, though without returning to the level attained in 2019.

The current operating margin in 2021 is likely to be higher than in 2019, when it was 3.2% of consolidated sales. The target is 4% in 2023.

3.4. TF1

TF1 aims to positively inspire society by informing and entertaining as many people as possible. As France's leading media group, it offers extensive content and a wide range of associated services. The group is also an established player in the TV production and digital sectors.

3.4.1. Key figures

As a result of the introduction in autumn 2020 of a strategy of generating synergies between the TF1 group's broadcasting activities and its digital operations (Unify), the organisational changes announced on 23 June 2021 and the divestment of TF1 Games, the breakdown of its operating segments changed in the first half of 2021.

Digital operations (Unify) have now been integrated into the broadcasting activities, alongside music and entertainment in a new "Media" arm, while content production and distribution are grouped within Newen Studios. The new organisation makes the TF1 group's activities easier to understand.

KEY FIGURES (€ million)	FIRST HALF 2020	FIRST HALF 2021	CHANGE
Sales	**884**	**1,129**	**+28% [a]**
o/w TF1 group advertising	*615*	*803*	*+30.5%*
o/w other activities	*269*	*326*	*+21.5%*
Current operating profit	**68**	**169**	**+€101m**
Current operating margin	*7.7%*	*15%*	*+7.3 pts*
Operating profit	**68**	**167**	**+€99m**
Net profit attributable to the Group	**38**	**108**	**+€70m**

(a) Like-for-like and at constant exchange rates

The TF1 group reported consolidated sales of €1,129 million in the first half of 2021, €245 million more than in the first half of 2020, a rise of 28%. The increase reflects the recovery in advertising spend and the very good performance of production activities with Newen.

Advertising sales rose 30.5% year-on-year to €803 million. This sharp increase was mainly driven by strong momentum in TV advertising in the second quarter versus second-quarter 2020, which was affected by the first lockdown.

Sales from other activities rose €57 million to €326 million, an increase of 21.5%. Content production activities at Newen posted strong sales growth compared with the previous year, when most shooting was suspended for nearly two months.

Current operating profit was €169 million, €101 million more than in the first half of 2020 (€68 million). It includes a TV broadcaster tax credit of approximately €20 million, offset against an increase in impairment allowances due to a higher level of programme deliveries than in 2020.

Operating profit was €167 million, after non-recurring charges of €2 million related to the proposed merger between TF1 and M6.

Net profit attributable to the Group in the first half of 2021 was €108 million, up €70 million year-on-year.

3.4.2. First-half highlights

- On 5 March, the TF1 group unveiled its first intake to the “Expertes à la Une” programme, developed by the News division to increase the number of women experts in news coverage on TF1 and LCI.
- In late April, Newen maintained its strong international growth momentum by acquiring a majority stake in iZen, a leading independent producer of drama and light entertainment in Spain.
- On 17 May, TF1, M6, Bouygues and RTL Group announced that they had signed preliminary agreements to enter into exclusive negotiations to merge the activities of TF1 and M6 in order to create a major French media group. The new group would be well-placed to meet the challenges of increasing competition from global digital platforms now operating on the French advertising market and producing quality televisual content. Following a favourable opinion from employee representative bodies at the end of June 2021, the Bouygues and RTL groups announced on 8 July that they had signed agreements relating to the proposed merger between TF1 and M6.
- The closing of the transaction remains subject to regulatory approvals from the French competition authority and the French broadcasting authority, who are now in a position to complete their analysis of the deal within the time-frame initially set.
- On 25 June, A+E Networks, a global media content company, announced its acquisition of a 35% stake in Newen subsidiary Reel One. The investment will enable Reel One to step up its growth in production and distribution in North America, as well as opening up new opportunities to produce TV movies and explore other sources of collaboration.

Audiences[1]

The TF1 group's online platforms posted strong ratings leveraged by non-linear viewing figures on the MyTF1 catch-up platform, totalling 1.4 billion video views to end-June 2021, a year-on-year increase of 21%.

The number of sessions on the Marmiton recipe website reached 320 million at end-June 2021. Its successful positioning was recognised with the award of the Harris Interactive Label of Excellence. The Doctissimo health and wellness website had 178 million unique visitors.

Media

Media segment sales amounted to €983 million, a year-on-year increase of €198 million. This was helped by a favourable prior-year comparison base resulting from the impact of the lockdown from March to May 2020 and vigorous TV advertising spend in sectors such as leisure, arts and clothing, where it had previously been in decline. The cost of programmes on the group's channels in the first half of 2021 reached €466 million, an increase of 31% on the first-half 2020 figure of €355 million. Substantial savings had been made in April and May 2020 to offset the fall in advertising revenue. The controlled increase in spending on programmes is intended to generate new, rich and diverse content in order to offer advertisers high-impact advertising slots.

The Media segment reported current operating profit of €147 million, a year-on-year increase of €77 million, generating a current operating margin of 15%, up 6 points year-on-year.

Newen Studios

Newen Studios reported sales of €145 million at end-June 2021, a year-on-year increase of €47 million.

Newen's activity in the first six months of the year was boosted by a catch-up effect following the postponement of some productions scheduled for 2020, especially in Canada and Belgium, due to the Covid-19 crisis. Shooting is now continuing at Newen studios in strict compliance with health measures.

Newen is continuing to expand in international markets. Total sales were up 48%, with international markets accounting for 40%.

A number of productions for pure-player platforms were confirmed in the first half of the year, such as *Diamonds* in the first quarter for Netflix and, more recently, *Liaison*, a series commissioned by Apple TV+ and coproduced by Ringside Studios and Léonis Productions.

Newen Studios reported a current operating profit of €22 million, a marked upswing of €25 million versus end-June 2020. The current operating margin was 15%, versus 3% at end-June 2020.

3.4.3. Outlook

The guidance below assumes no further deterioration in the health situation.

The creation of the Media arm will help the group to unlock new synergies and strengthen its position across all content distribution channels.

Having integrated its digital activities into the Media arm, the TF1 group has relinquished the guidance issued in February 2021 for the current operating margin of the Unify division.

Newen Studios will continue to pursue the objective of increasing its international sales and its backlog with pure-player platforms.

By leveraging the considerable potential synergies arising from this reorganisation and the resumption of production, TF1 expects a double-digit current operating margin from 2021, similar to the level in 2019.

[1] Source: Médiametrie-Médiamat

3.5. Bouygues Telecom

A major telecoms operator in France, Bouygues Telecom offers networks, products and services to provide a high-quality experience that meets the needs and expectations of more than 25 million customers[1], with the aim of bringing them closer to their friends and family. As a socially responsible player, Bouygues Telecom facilitates access to high-quality digital services for all, whilst keeping a tight rein on the impacts generated by its activity.

3.5.1. Key figures

KEY FIGURES (€ million)	FIRST HALF 2020	FIRST HALF 2021	CHANGE
Sales	**3,042**	**3,471**	**+14% [a]**
o/w sales from services	*2,404*	*2,743*	*+14%*
o/w other sales	*638*	*728*	*+14%*
EBITDA after Leases	**711 [b]**	**758**	**+€47m**
EBITDA after Leases/sales from services	*29.6%*	*27.6%*	*-2 pts*
Current operating profit	**253**	**244**	**-€9m**
Operating profit	**254 [c]**	**335 [c]**	**+€81m**
Net profit attributable to the Group	**157**	**220**	**+€63m**
Gross capital expenditure	**581**	**754**	**+€173m**
Divestments	**194 [d]**	**172 [d]**	**-€22m**

(a) *Up 5% like-for-like and at constant exchange rates*
(b) *Including €17m from the sale of FTTH premises to SDAIF*
(c) *Including non-current charges of €1m in first-half 2020 and non-current income of €91m in first-half 2021, essentially related to the sale of data centres*
(d) *Including disposals of €185m related to Project Astérix in first-half 2020 and €168m related to data centres in first-half 2021*

In a context still affected by the pandemic, Bouygues Telecom reported sales of €3,471 million in the first half of 2021, an increase of 14% on the first half of 2020 (up 5% like-for-like and at constant exchange rates). This performance was driven by higher sales from services and other sales.

Sales from services were €2,743 million, up 14% year-on-year, driven by growth of the mobile and fixed customer base and improved one-year mobile ABPU (excluding the impact of roaming) and fixed ABPU. Stripping out the effect of the integration of BTBD on 1 January 2021, sales were up 5% in the first half of the year, in line with the annual target.

Sales from mobile services rose 17% in the first half of 2021 versus the first half of 2020, mainly due to the integration of BTBD.

Sales from fixed services rose 9% over the same period.

Other sales rose 14% over the period, driven by growth in sales of handsets.

EBITDA after Leases in the first half of 2021 was €758 million, up €47 million versus the first half of 2020.

As expected, the EBITDA after Leases margin was lower than in the first half of 2020 (27.6% versus 29.6%) due to the dilutive effect of integrating BTBD, a change in the revenue mix associated with the ramp-up of FTTH, where the gross margin is lower than in the mobile business, and less roaming revenue in first-half 2021 than in first-half 2020 (down €10 million). In the second quarter of 2020, EBITDA after Leases included a capital gain of €17 million on the sale of FTTH premises to SDAIF.

[1] Including 2.1 million customers of BTBD

Current operating profit in the first half of 2021 was €244 million, down €9 million versus first-half 2020. Operating profit was €335 and included non-current income of €91 million, mainly from the sale of data centres, versus €1 million in the first half of 2020.

Gross capex at end-June 2021 was €754 million, up €173 million year-on-year, related to the strategy of enhancing network quality and the investment needed to integrate BTBD and roll out 5G. Disposals over the same period amounted to €172 million, mainly related to data centres.

Net profit attributable to the Group in the first half of 2021 was €220 million, €63 million more than in the first half of 2020.

3.5.2. First-half highlights

- 14 April: presentation, with H4D, of the first 5G-connected telemedicine booth.
- 6 May: conclusion of a €350-million finance agreement with the European Investment Bank.
- 19 May: reopening of all stores after the third lockdown.
- 25 May: launch of the Sustainable Smartphone Solutions programme as part of the climate strategy.
- 31 May: launch of Bouygues Telecom Entreprises OnCloud, an independent hosting and cloud services entity.
- 31 May: announcement of a partnership agreement with Capgemini to offer businesses new 5G solutions and support with the take-up of new uses.

Despite the health crisis, Bouygues Telecom exceeded its commitments to roll out priority 4G sites[1] within the New Deal framework. It had handed over 184 4G sites by 31 March 2021 as against a requirement of 132 sites.

Bouygues Telecom also demonstrated its ability to maintain the quality and reliability of its mobile and fixed networks. According to the annual scorecard of the "J'alerte l'Arcep" reporting platform[2], it has a lower complaint rate[3] than its competitors.

Bouygues Telecom continued to expand its network of stores, central to its strategy of keeping close to and focusing on customers. Six new stores have been opened in the south of France since the start of the year and a further eight stores will open elsewhere in the French regions in the second half of the year, including a 100m²-plus Premium store in Nice.

Bouygues Telecom had 21.4 million mobile customers at 30 June 2021, of which 14.5 million mobile plan customers excluding MtoM[4]. Bouygues Telecom added 2.3 million new mobile plan customers excluding MtoM in the six months to end-June 2021, including nearly 2.1 million following the integration of BTBD. The company attracted 258,000 new customers in the first half of 2021.

The total fixed customer base at end-June 2021 stood at 4.3 million, with 131,000 new adds in the first half of the year. There were 1.9 million FTTH[5] customers, with 346,000 new adds in the first half of the year, of which 157,000 in the second quarter. 45% of fixed customers now have a FTTH offer, versus 30% a year earlier. The company had a 15.6%[6] share of the national FTTH market at end-March, greater than its share of the DSL market, thus narrowing the gap with its competitors.

[1] Under the targeted coverage scheme, local elected officials can decide which areas should receive priority coverage
[2] Users – individuals, businesses, local authorities, etc. – can use the platform to report malfunctions in fixed, mobile and internet services to Arcep, the French telecoms regulator
[3] The number of complaints received in relation to the number of customers
[4] Machine-to-Machine
[5] Fibre-To-The-Home
[6] Data from the Arcep Observatory of first-quarter 2021

Climate strategy

In the first half of 2021 Bouygues Telecom set out the three priorities of its 2020-2030 Climate Strategy:

- Working together to make infrastructure more energy-efficient and less carbon-intensive;
- Working together for more sustainable products and services;
- Working together for more responsible use.

Its climate strategy includes the following targets:

- A 50% reduction in direct emissions by 2030 (Scopes 1 & 2)[1] with the aim of contributing to overall carbon neutrality by 2040;
- A 30% reduction in indirect emissions (Scope 3)[2] by 2030;
- Financing renewable energy sources equivalent to over 50% of its consumption from 2021.

Bouygues Telecom confirmed its commitment to digital technology that is better for the planet and announced that it would switch to 100% renewable energies from 2021[3].

As part of the process, on 28 May Bouygues Telecom concluded a first wind-sourced renewable energy purchasing contract (PPA[4]) with EDF with the aim of covering over 10% of the company's power consumption by 2024.

Bouygues Telecom also launched the first Sustainable Smartphone Solutions programme to raise consumer awareness of the various ways in which it can extend the lifetime of smartphones or recycle them (Repair, Recover, Refurbish, Recycle).

3.5.3. Outlook

Bouygues Telecom confirmed its 2021 targets:

- Organic growth in sales from services estimated at around 5% despite the impacts of the pandemic on roaming usage;
- An increase in EBITDA after Leases (including BTBD) of around 7%;
- Net capex of around €1.3 billion (excluding 5G frequencies) in order to keep pace with growth in the mobile and fixed customer base and in usage.

The "Ambition 2026" plan targets to be achieved by 2026 are:

- Sales from services of more than €7 billion;
- EBITDA after Leases of around €2.5 billion with an EBITDA after Leases margin of around 35%;
- Free cash flow of around €600 million.

[1] Referring to the origin of carbon emissions, Scope 1 corresponds to direct emissions and Scope 2 to the indirect emissions generated by energy consumption

[2] Scope 3 corresponds to other indirect emissions

[3] Under an agreement spanning 2021, 2022, 2023 and 2024, all energy supplied by electricity suppliers will be from renewable sources

[4] Power Purchase Agreement

3.6. Bouygues SA

Bouygues SA reported a net profit, according to French accounting standards, of €610 million in the first half of 2021, an increase of €684 million versus first-half 2020. This increase was mainly due to two factors: a €554-million rise in dividends received, since most 2019 dividends within the Group were paid out in September 2020, and the €112-million impact, net of costs, of sales of Alstom shares in the first half of 2021.

3.7. Risks and uncertainties

The Risk factors section (Section 4) of the 2020 Universal Registration Document contains a description of the principal risks to which the Group is exposed.

There was no material change to risk factors during the first half of 2021.

The main changes in relation to claims and litigation concern the following matters:

3.7.1. BOUYGUES CONSTRUCTION

France: Île-de-France Regional Authority Contracts

Following a Competition Council (now Competition Authority) ruling on 9 May 2007, the Île-de-France Regional Authority filed a compensation claim in 2008 for losses it claimed to have incurred as a result of the anti-competitive practices by construction companies in connection with the award of public works contracts for the renovation of secondary school buildings in the region.

As the Conflicts Court decided on 16 November 2015 that this dispute came within the jurisdiction of the Administrative Courts, the Île-de-France Regional Authority seized the Paris Administrative Court on 28 March 2017, with claims for damages for each school, and for all jointly liable defendants to jointly and severally pay an indemnity of 16.4% of the price paid for each secondary school.

The Paris Administrative Court ruled that the indemnity claims were barred by limitation in several judgements dated 29 July 2019. The Île-de-France Regional Authority lodged an appeal against these judgements in October 2019.

On 19 February 2021, the Administrative Court of Appeal handed down a judgement that held that the Île-de-France Regional Authority's claim for compensation was not statute barred, and that ordered an expert's appraisal with the possibility for the expert to submit the dispute to a mediation procedure.

On 19 April 2021, the Group companies concerned lodged an appeal in the *Cour de Cassation* (the French Supreme Court) against the judgement of the Administrative Court of Appeal.

France: Eole

Following a Competition Council (now Competition Authority) ruling of 21 March 2006, imposing fines on a number of companies for collusion relating to the award of work packages for the East-West Express Rail Link (Eole) project, the SNCF, on 21 March 2011, brought an action for damages before the Paris Administrative Court for the losses it claims to have suffered as a result of anti-competitive practices.

The Paris Administrative Court and the Paris Administrative Court of Appeal dismissed all of the SNCF's claims in judgements dated 31 May 2016 and 29 December 2017 holding that the claims were statute barred.

Seized by SNCF Mobilités, the *Conseil d'État* (France's Supreme Administrative Court) quashed the Paris Administrative Court of Appeal's judgement on 22 November 2019, ruling that although the action to invalidate the contract was statute barred, the action in tort was not.

By an order of 31 May 2021, the court noted the parties' withdrawal from proceedings. The case is thus closed.

Singapore: Centennial Tower

This litigation results from panels falling, in 2004 and then 2011, off the façade of the Centennial tower, which was handed over in 1997.

On 3 July 2019, the Singapore Court of Appeal upheld the first-instance judgement ordering Dragages Singapore to pay the repair costs for all the cladding of the tower's façade. This judgement is not open to appeal. The Singapore court still has to determine how the work is to be carried out and to assess the quantum.

Ireland: Gemini data centre

At the end of 2016, St Stephen's Green Funds ICAV entrusted Bouygues E&S Ireland Limited with a contract to design and build a data centre.

The energy supply to the building site depended on the construction of an electricity substation. The construction of the substation, which ICAV entrusted to a third party, suffered delays. This impacted the performance of the contract and resulted in ICAV applying penalties, terminating the contract and claiming damages from Bouygues E&S Ireland for an alleged loss.

Three adjudication decisions recognised ICAV's right, in the final analysis, to apply penalties for delay against Bouygues E&S Ireland. Bouygues E&S Ireland brought arbitration proceedings on 4 November 2019 to challenge the enforcement of penalties and to claim damages.

Hearings were held between 12 and 30 April 2021. The last statements of case were filed on 24 May 2021 and the adjudication decision is expected in October 2021.

Monaco: offshore extension

Bouygues Travaux Publics (within the scope of a joint venture) entrusted Jan de Nul on 9 January 2017 with a subcontracting contract for dredging and technical and hydraulic fill services for the Monaco offshore extension project.

Because Jan De Nul failed to deliver materials which conformed with the contractual specifications, Bouygues Travaux Publics replaced Jan De Nul for this task. Jan De Nul disputed this decision and terminated the contract against Bouygues Travaux Publics on 20 December 2019.

The parties are therefore in dispute with each claiming damages against the other for its losses. This dispute has been submitted to arbitration under the rules of the International Chamber of Commerce.

An arbitration tribunal was constituted on 13 May 2020. Hearings were held in early July 2021 and the adjudication decision is expected in October 2021.

3.7.2. BOUYGUES TELECOM

Radio waves

- In May 2020, a collective of 500 natural persons served summonses in summary proceedings on the four mobile network operators (Orange, SFR, Bouygues Telecom and Free Mobile) before the Paris Judicial Court, requesting the appointment of a judicial expert to assess the impact of 5G. In a judgement of 16 March 2021, the Paris Judicial Court ruled that it did not have jurisdiction to order a general investigation of 5G. Some of the initial plaintiffs appealed the judgement. Proceedings are continuing before the Paris Court of Appeal.

Regulatory matters

- Bouygues Telecom filed a claim for *ultra vires* with the *Conseil d'État* on 23 July 2020 against the decree and the implementing order for Act 2019-810 of 1 August 2019 to protect France's defence and national security interests in relation to the operating of mobile radio electronic networks. The *Conseil d'État* dismissed the claim in a judgement of 8 April 2021, finding that the rules arising from the Act of 1 August 2019 were proportionate since they did not rule out the possibility of operators being compensated for serious and special damage as a result of their application.

- On 1 March 2021, Bouygues Telecom appealed the Paris Administrative Court judgement of 29 December 2020 dismissing its application to order the State to pay it €2.285 billion in compensation for the damage suffered as a result of failure to regulate the roaming agreement between Free Mobile and Orange from 2011 to 2015.

- Bouygues Telecom brought proceedings against Orange before the Paris Commercial Court in April 2021, seeking compensation for damage arising from Orange's failure to comply with its essential obligations for access to the copper local loop, in respect of which Arcep, in decision no. 2018-1596-RDPI, had served formal notice on the operator.

- On 21 May 2021, Free Mobile lodged a claim for *ultra vires* with the Paris Administrative Court against the Prime Minister's decisions authorising Bouygues Telecom, pursuant to Article L. 34-11 of the Postal and Electronic Communications Code, to operate Huawei 5G radio equipment in non-dense zones of France. Free Mobile is seeking to have the decisions cancelled and reversed, in particular on the grounds that they would create discriminatory treatment between Bouygues Telecom and Free Mobile.

3.7.3. TF1

Molotov TV

The TF1 group's channels brought proceedings for infringement against Molotov TV before the Paris Judicial Court on 1 July 2019, arguing that it was continuing to broadcast and use its channels without authorisation, by indirect means and with the complicity of third parties. The pre-trial judge committed the case to trial and set the hearings for November 2021, so the judgement should be forthcoming by the end of 2021. The TF1 group's channels also applied to the pre-trial judge at Paris Judicial Court on 18 November 2020, within the scope of these proceedings, for an injunction to order Molotov TV to cease using the brands of its unencrypted channels. The judge acceded to the application on 18 December 2020.

Continuing these remedies, on 27 May 2021 the TF1 group's channels brought proceedings for infringement and free-riding before the Nanterre Judicial Court against Panasonic on the grounds of a partnership between Panasonic and Molotov TV giving access to the TF1 group's channels, without their authorisation, via the Molotov Source TV solution.

Molotov seized the Competition Authority with a claim for conservation measures on 12 July 2019 in relation to practices by the TF1 and M6 groups in the unencrypted television channel broadcasting and marketing sector (notably following TF1's refusal to allow Molotov to air the TF1 group's channels free of charge). The Competition Authority rejected Molotov TV's referral in a decision dated 30 April 2020. In July 2020 Molotov TV applied to the Paris Court of Appeal with a claim to cancel and reverse the Competition Authority's decision. The Paris Court of Appeal is expected to issue its judgement in September 2021.

Molotov TV also seized the Competition Authority on 16 June 2020, claiming that TF1, M6 and France Télévisions had failed to fulfil the undertakings given in the context of the Salto authorisation procedure and requesting sanctions against them. In the absence of a response from the Competition Authority, Molotov TV lodged an appeal with the *Conseil d'État* on 16 October 2020 against the dismissal of its claim implicit in the Competition Authority's lack of response.

Molotov TV subsequently served a claim for damages on TF1 and TF1 Distribution in the Paris Commercial Court on 10 November 2020. Molotov TV argued that the offer of distribution from TF1 Distribution would subject it to imbalanced obligations, with the purpose of obtaining an advantage without giving anything in return. According to Molotov TV, this offer would breach the undertakings given by TF1 in the context of the Salto authorisation.

GPDR complaints

On 26 June 2020, the NGO Privacy International asked the CNIL (the French data protection authority) to investigate the Doctissimo website's compliance with the General Data Protection Regulation (GDPR).

In response to these allegations, Doctissimo sent a letter to the CNIL seeking to clarify certain points of the investigation request and informing the CNIL of the state of roll-out of the GDPR on the site.

The CNIL started a procedure to verify the processing of personal data accessible from the doctissimo.fr website, which is ongoing.

The complaint received by the CNIL in June 2020 relating to the way cookies are downloaded on the MYTF1 service provided by e-TF1 was dismissed.

3.8. Related-party transactions

No related-party transactions liable to materially affect Bouygues' financial situation or results were concluded in the first half of 2021. Likewise, no change to related-party transactions liable to materially affect Bouygues' financial situation or results occurred during that period. Under the terms of agreements authorised by the Board of Directors and approved by the Annual General Meeting, Bouygues provided services to its sub-groups, mainly in the areas of management, human resources, information systems and finance.

More detailed information about related-party transactions is given in Note 13 of the notes to the condensed consolidated first-half financial statements.

3.9. Recent events – main events since 1 July 2021

- On 2 July, Bouygues Construction unveiled its health-centre offering at AMIF, the annual congress of Paris Region mayors, held on 30 June and 1 July 2021. It is part of the company's NewCare initiative to integrate health and wellness provision into development projects. The programme aims to roll out 2,000 multi-disciplinary health centres in France by 2022 in order to strengthen grassroots healthcare.

- On 8 July, Bouygues Telecom launched its addressable TV offer with the media sales units of France Télévisions, M6 and TF1. Addressable TV now reaches 1.5 million households that have a Bouygues Telecom router. In practical terms, viewers who have agreed to allow their data to be used for advertising purposes may receive customised adverts based on precise targeting criteria such as geographical location, favourite programmes and hobbies & interests. The offer is available to advertisers using the media sales units of France Télévisions, M6 and TF1.

- On 8 July, following the press release of 17 May 2021 relating to the proposed merger between the TF1 and M6 groups and a favourable opinion from the employee representative bodies of Bouygues, TF1 and M6 issued on 24 June 2021, the Bouygues and RTL groups and the TF1 and M6 groups respectively announced the signing of agreements between them relating to the merger of TF1 and M6.

- On 12 July, the SOMO Findel Airport Consortium comprising Colas (lead firm), Felix Giorgetti SàRL, C. Karp-Kneip Constructions SA and JDC Airports SA started refurbishing the runway at Luxembourg airport. For the client, lux-Airport, the project represents a total investment of €150 million.

- On 15 July, following the signing of a mobile telephony agreement with the Municipality of Lille on 20 May, Bouygues Telecom confirmed the opening of its 5G network. As a result, 90% of the city's population will be able to use Bouygues Telecom's high-quality 5G network.

- On 20 July, Bouygues Construction was awarded the contract to build the new civil administration complex in Lille. The company will have a €99.8-million share of the €107-million contract for a project which combines energy efficiency with environmental quality and quality of use.

- On 21 July, as part of the plans for the Paris Olympic Games in 2024, Mobility by Colas, the Colas group's digital mobility services integrator and operator, signed a framework contract with Solideo to manage logistics flows. The contract covers the installation, roll-out and operation of "last mile" logistics flows for a minimum of 15 months, using the Qievo solution.

- On 26 July, the Bouygues group announced that it was boosting its disability policy by supporting six parasports athletes via Bouygues SA and its five subsidiaries – Bouygues Construction, Bouygues Immobilier, Colas, TF1 and Bouygues Telecom. Through their track records and personalities, these great French champions embody the ambition and impetus that the Group and its subsidiaries aim to give to their disability policies. The athletes will represent France in Japan during the summer.

- On 17 August, Bouygues Telecom launched a mobile phone plan that gets bigger as teenagers grow up, offering parents the Sensation 1-to-10 GB expandable call plan, the ideal companion for their children's first smartphone. For the first time, parents have a simple and effective solution to help their teenage children achieve digital independence through a scalable data envelope (available in mainland France).

4. CONDENSED CONSOLIDATED FIRST-HALF FINANCIAL STATEMENTS

BOUYGUES GROUP CONSOLIDATED FINANCIAL STATEMENTS

Consolidated balance sheet (€ million)

ASSETS	Note	30/06/2021 net	31/12/2020 net	30/06/2020 net restated [a]
Property, plant and equipment		7,670	7,486	7,366
Right of use of leased assets		1,698	1,668	1,673
Intangible assets		2,783	2,694	2,121
Goodwill	3.1	7,132	7,232	6,555
Investments in joint ventures and associates	3.2	799	1,542	1,837
Other non-current financial assets		510	529	483
Deferred tax assets		350	346	461
NON-CURRENT ASSETS		**20,942**	**21,497**	**20,496**
Inventories		2,967	2,839	3,257
Advances and down-payments made on orders		347	398	455
Trade receivables		6,893	5,890	6,434
Customer contract assets		3,088	2,448	2,669
Current tax assets		228	213	304
Other current receivables and prepaid expenses		3,678	3,046	3,276
Cash and cash equivalents	7	3,904	4,224	4,676
Financial instruments - Hedging of debt	7	15	11	11
Other current financial assets		23	16	9
CURRENT ASSETS		**21,143**	**19,085**	**21,091**
Held-for-sale assets and operations		12	41	
TOTAL ASSETS		**42,097**	**40,623**	**41,587**

LIABILITIES AND SHAREHOLDERS' EQUITY	Note	30/06/2021	31/12/2020	30/06/2020 restated [a]
Share capital	4	381	381	380
Share premium and reserves		9,423	9,354	9,956
Translation reserve		35	(91)	(42)
Treasury shares				
Net profit/(loss) attributable to the Group	11	408	696	(244)
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE GROUP		**10,247**	**10,340**	**10,050**
Non-controlling interests		1,463	1,463	1,401
SHAREHOLDERS' EQUITY		**11,710**	**11,803**	**11,451**
Non-current debt	6.1/7	5,206	5,544	6,346
Non-current lease obligations		1,411	1,374	1,388
Non-current provisions	5.1	2,289	2,245	2,196
Deferred tax liabilities		305	273	346
NON-CURRENT LIABILITIES		**9,211**	**9,436**	**10,276**
Current debt	6.1/7	1,199	474	2,006
Current lease obligations		366	359	345
Current tax liabilities		149	165	166
Trade payables		7,639	7,200	6,842
Customer contract liabilities		4,212	4,098	3,973
Current provisions	5.2	1,256	1,242	1,094
Other current liabilities		6,020	5,629	5,173
Overdrafts and short-term bank borrowings	7	314	187	228
Financial instruments - Hedging of debt	7	13	11	12
Other current financial liabilities		8	19	21
CURRENT LIABILITIES		**21,176**	**19,384**	**19,860**
Liabilities related to held-for-sale operations				
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**42,097**	**40,623**	**41,587**
NET SURPLUS CASH/(NET DEBT)	**7/11**	**(2,813)**	**(1,981)**	**(3,905)**

(a) "Right of use of leased assets" and "Lease obligations" as of 30 June 2020 have been restated for the effects of applying the IFRS IC final decision on lease terms

Consolidated income statement (€ million)

		First half		Second quarter		Full year
	Note	2021	2020	2021	2020	2020
SALES [a]	**8/11**	**17,417**	**14,758**	**9,675**	**7,539**	**34,694**
Other revenues from operations		27	36	17	16	66
Purchases used in production		(7,491)	(6,322)	(4,169)	(3,224)	(15,193)
Personnel costs		(4,223)	(3,925)	(2,254)	(1,979)	(8,090)
External charges		(4,113)	(3,528)	(2,205)	(1,707)	(7,591)
Taxes other than income tax		(348)	(344)	(124)	(106)	(618)
Net charges for depreciation, amortisation and impairment losses on property, plant and equipment and intangible assets		(989)	(846)	(527)	(443)	(1,832)
Net charges for depreciation, amortisation and impairment losses on right of use of leased assets		(168)	(184)	(86)	(96)	(359)
Charges to provisions and other impairment losses, net of reversals due to utilisation		(127)	(81)	(120)	(86)	(558)
Change in production and property development inventories		(37)	(44)	(28)	(24)	(202)
Other income from operations [b]		924	709	586	406	1,802
Other expenses on operations		(401)	(361)	(217)	(186)	(897)
CURRENT OPERATING PROFIT/(LOSS)	**9/11**	**471**	**(132)**	**548**	**110**	**1,222**
Other operating income		97	7	35	4	86
Other operating expenses		(17)	(51)	(11)	(50)	(184)
OPERATING PROFIT/(LOSS)	**9/11**	**551**	**(176)**	**572**	**64**	**1,124**
Financial income		13	15	8	2	32
Financial expenses		(88)	(109)	(44)	(53)	(199)
INCOME FROM NET SURPLUS CASH/(COST OF NET DEBT)		**(75)**	**(94)**	**(36)**	**(51)**	**(167)**
Interest expense on lease obligations	11	(26)	(25)	(13)	(11)	(53)
Other financial income		16	25	10	23	47
Other financial expenses		(35)	(38)	(21)	(26)	(80)
Income tax	10	(146)	12	(162)	(73)	(317)
Share of net profits/losses of joint ventures and associates	3.2/11	201	77	96	52	216
Net profit/(loss) from continuing operations		**486**	**(219)**	**446**	**(22)**	**770**
Net profit/(loss) from discontinued operations						
NET PROFIT/(LOSS)		**486**	**(219)**	**446**	**(22)**	**770**
Net profit/(loss) attributable to the Group	**11**	**408**	**(244)**	**387**	**(40)**	**696**
Net profit/(loss) attributable to non-controlling interests		78	25	59	18	74
BASIC EARNINGS PER SHARE FROM CONTINUING OPERATIONS ATTRIBUTABLE TO THE GROUP (€)		**1.07**	**(0.64)**	**1.01**	**(0.10)**	**1.83**
DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS ATTRIBUTABLE TO THE GROUP (€)		**1.07**	**(0.64)**	**1.01**	**(0.10)**	**1.83**
(a) *Of which sales generated abroad*		6,565	6,219	3,899	3,399	14,293
(b) *Of which reversals of unutilised provisions/impairment losses & other items*		131	147	77	79	326

Consolidated statement of recognised income and expense (€ million)

	First half		Full year
	2021	2020	2020
NET PROFIT/(LOSS)	**486**	**(219)**	**770**
Items not reclassifiable to profit or loss			
Actuarial gains/losses on post-employment benefits		(32)	(42)
Remeasurement of investments in equity instruments	5	(10)	(12)
Net tax effect of items not reclassifiable to profit or loss	(2)	3	14
Share of non-reclassifiable income and expense of joint ventures and associates	(44)	9	(31)
Items reclassifiable to profit or loss			
Translation adjustments	60	(47)	(114)
Remeasurement of hedging assets	14	(2)	7
Net tax effect of items reclassifiable to profit or loss	(4)		(1)
Share of reclassifiable income and expense of joint ventures and associates	78	(35)	(24)
INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY	**107** [a]	**(114)** [b]	**(203)**
TOTAL RECOGNISED INCOME AND EXPENSE	**593**	**(333)**	**567**
Recognised income and expense attributable to the Group	**508**	**(351)**	**509**
Recognised income and expense attributable to non-controlling interests	**85**	**18**	**58**

(a) Of which income and expense recognised in second-quarter 2021 = 11

(b) Of which income and expense recognised in second-quarter 2020 = (71)

Consolidated statement of changes in shareholders' equity (€ million)

	Note	Share capital and share premium	Reserves related to capital and retained earnings	Consolidated reserves and profit/(loss)	Treasury shares	Items recognised directly in equity	TOTAL ATTRIBU-TABLE TO THE GROUP	Non-controlling interests	TOTAL
POSITION AT 31 DECEMBER 2019		**2,749**	**2,736**	**5,091**		**(171)**	**10,405**	**1,395**	**11,800**
Movements during the first half of 2020									
Net profit/(loss)				(244)			(244)	25	(219)
Income and expense recognised directly in equity						**(107)**	**(107)**	**(7)**	**(114)**
Total recognised income and expense [b]				**(244)**		**(107)**	**(351)**	**18**	**(333)**
Capital and reserves transactions, net		3	1,166	(1,166)			3		3
Acquisitions and disposals of treasury shares				(2)			(2)		(2)
Acquisitions and disposals with no change of control				(5)			(5)		(5)
Dividend paid								(5)	(5)
Share-based payments				2			2		2
Other transactions (changes in scope of consolidation, other transactions with shareholders, and miscellaneous items)				(2)			(2)	(7)	(9)
POSITION AT 30 JUNE 2020		**2,752**	**3,902**	**3,674**		**(278)**	**10,050**	**1,401**	**11,451**
Movements during the second half of 2020									
Net profit/(loss)				940			940	49	989
Income and expense recognised directly in equity						**(80)**	**(80)**	**(9)**	**(89)**
Total recognised income and expense [b]				**940**		**(80)**	**860**	**40**	**900**
Capital and reserves transactions, net		19	(647)	647			19		19
Acquisitions and disposals of treasury shares				2			2		2
Acquisitions and disposals with no change of control				(8)			(8)	(3)	(11)
Dividend paid				(646)			(646)	(36)	(682)
Share-based payments				2			2	1	3
Other transactions (changes in scope of consolidation, other transactions with shareholders, and miscellaneous items)				61			61	60	121
POSITION AT 31 DECEMBER 2020		**2,771**	**3,255**	**4,672**		**(358)**	**10,340**	**1,463**	**11,803**
Movements during the first half of 2021									
Net profit/(loss)				408			408	78	486
Income and expense recognised directly in equity	**5.3**					**100** [a]	**100**	**7** [a]	**107**
Total recognised income and expense [b]				**408**		**100**	**508**	**85**	**593**
Capital and reserves transactions, net		6	50	(50)			6		6
Acquisitions and disposals of treasury shares				(17)			(17)		(17)
Acquisitions and disposals with no change of control	5.5			(5)			(5)	(6)	(11)
Dividend paid				(647)			(647)	(88)	(735)
Share-based payments	5.4			4			4		4
Other transactions (changes in scope of consolidation, other transactions with shareholders, and miscellaneous items)	5.5			58			58	9	67
POSITION AT 30 JUNE 2021		**2,777**	**3,305**	**4,423**		**(258)**	**10,247**	**1,463**	**11,710**

(a) Change in translation reserve

(b) See statement of recognised income and expense

Attributable to:	Group	Non-controlling interests	Total
Controlled companies	57	3	60
Investments in joint ventures and associates	69		69
	126	**3**	**129**

Consolidated cash flow statement (€ million)

	Note	First half 2021	First half 2020	Full year 2020
I - CASH FLOW FROM CONTINUING OPERATIONS				
A - NET CASH GENERATED BY/(USED IN) OPERATING ACTIVITIES				
Net profit/(loss) from continuing operations		486	(219)	770
Adjustments:				
Share of profits/losses of joint ventures and associates, net of dividends received		(156)	(48)	(160)
Dividends from non-consolidated companies		(1)	(1)	(5)
Net charges to/(reversals of) depreciation, amortisation, impairment of property, plant and equipment and intangible assets, and non-current provisions		1,001	845	1,956
Net charges to amortisation and impairment expense and other adjustments to right of use of leased assets		172	185	360
Gains and losses on asset disposals		(165)	(50)	(144)
Income taxes, including uncertain tax positions		146	(12)	317
Income taxes paid		(170)	(129)	(367)
Other income and expenses with no cash effect		(13)	2	(18)
CASH FLOW AFTER INCOME FROM NET SURPLUS CASH/COST OF NET DEBT, INTEREST EXPENSE ON LEASE OBLIGATIONS AND INCOME TAXES PAID	**11**	**1,300**	**573**	**2,709**
Reclassification of income from net surplus cash/cost of net debt and interest expense on lease obligations		101	119	220
Changes in working capital requirements related to operating activities (including current impairment and provisions) [a]	11	(1,376)	(1,037)	477
NET CASH GENERATED BY/(USED IN) OPERATING ACTIVITIES		**25**	**(345)**	**3,406**
B - NET CASH GENERATED BY/(USED IN) INVESTING ACTIVITIES				
Purchase price of property, plant and equipment and intangible assets	11	(1,054)	(857)	(2,648)
Proceeds from disposals of property, plant and equipment and intangible assets	11	264	250	428
Net liabilities related to property, plant and equipment and intangible assets		(98)	(381)	709
Purchase price of non-consolidated companies and other investments		(7)	(2)	(11)
Proceeds from disposals of non-consolidated companies and other investments		6	1	2
Net liabilities related to non-consolidated companies and other investments				2
Purchase price of investments in consolidated activities		(36)	(59)	(930)
Proceeds from disposals of investments in consolidated activities		1,022	59	646
Net liabilities related to consolidated activities		11		258
Other effects of changes in scope of consolidation: cash of acquired and divested companies	7	(1)	4	(1)
Other cash flows related to investing activities: changes in loans, dividends received from non-consolidated companies		54	(10)	(59)
NET CASH GENERATED BY/(USED IN) INVESTING ACTIVITIES		**161**	**(995)**	**(1,604)**
C - NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES				
Capital increases/(reductions) paid by shareholders and non-controlling interests and other transactions between shareholders		(18)	(12)	62
Dividends paid to shareholders of the parent company		(647)		(646)
Dividends paid by consolidated companies to non-controlling interests		(88)	(5)	(41)
Change in current and non-current debt	7	365	2,825	234
Repayment of lease obligations	11	(178)	(190)	(372)
Income from net surplus cash/cost of net debt and interest expense on lease obligations		(101)	(119)	(220)
Other cash flows related to financing activities			(38)	(38)
NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES		**(667)**	**2,461**	**(1,021)**
D - EFFECT OF FOREIGN EXCHANGE FLUCTUATIONS	**7**	**34**	**(27)**	**(98)**
CHANGE IN NET CASH POSITION (A + B + C + D)		**(447)**	**1,094**	**683**
NET CASH POSITION AT START OF PERIOD	**7**	**4,037**	**3,354**	**3,354**
Net cash flows	7	(447)	1,094	683
Non-monetary flows				
Held-for-sale operation				
NET CASH POSITION AT END OF PERIOD	**7**	**3,590**	**4,448**	**4,037**
II - CASH FLOWS FROM DISCONTINUED OPERATIONS				
NET CASH POSITION AT START OF PERIOD				
Net cash flows				
NET CASH POSITION AT END OF PERIOD				

(a) Definition of changes in working capital requirements related to operating activities: current assets minus current liabilities, excluding (i) income taxes; (ii) receivables/liabilities related to property, plant and equipment and intangibles assets; (iii) current debt; (iv) current lease obligations; and (v) financial instruments used to hedge debt

CONTENTS

Note 1 Significant events

1.1 Significant events of the first half of 2021

The principal corporate actions and acquisitions of the first half of 2021 are described below:

- On 29 January 2021, Alstom announced that it had acquired Bombardier Transportation, via two rights issues reserved for affiliates of Caisse de dépôt et placement du Québec and Bombardier Inc; those rights issues followed a previous rights issue of €2 billion carried out on 7 December 2020 (see Note 1.2). Bouygues recognised a gain on dilution of €56 million within "Share of net profits/losses of joint ventures and associates" in the consolidated income statement for the first quarter of 2021, based on Alstom's €3.4 billion valuation of the 76,184,296 shares issued on the date of completion of the acquisition. On completion of all those various rights issues, Bouygues held an equity interest of 6.35% in Alstom.

  On 10 March 2021, Bouygues announced that it had sold 12 million Alstom shares representing 3.23% of Alstom's share capital for €492 million (net of transaction costs), through an accelerated book building reserved for institutional investors. Bouygues recognised a gain of €59 million (net of transaction costs and taxes) within "Share of net profits/losses of joint ventures and associates" in the consolidated income statement for the first quarter of 2021. Following the sale, Bouygues held an equity interest of 3.12% in Alstom, which it undertook to retain until at least 12 May 2021. This residual interest was accounted for by the equity method in "Investments in joint ventures and associates" as of 31 March 2021.

  On 2 June 2021, Bouygues announced that it had sold 11 million Alstom shares representing 2.96% of Alstom's share capital for €492 million (net of transaction costs), through an accelerated book building reserved for institutional investors. Bouygues recognised a gain of €93 million (net of transaction costs and taxes) within "Share of net profits/losses of joint ventures and associates" in the consolidated income statement for the second quarter of 2021. Following the sale, Bouygues holds an equity interest of 0.16% in Alstom. Loss of significant influence over Alstom led to the reclassification of the residual equity interest to "Other non-current financial assets", and to the recognition of a fair value remeasurement of €6 million in respect of the residual equity interest within "Share of net profits/losses of joint ventures and associates" as of 2 June 2021.

- In March 2021, Bouygues Telecom sold to Towerlink the buildings and passive infrastructure of seven data centres (MSC – Mobile Switching Centres) for €107 million. A further four MSCs were sold in the second quarter of 2021 for €61 million, and a gain of €97 million was recognised within "Other income from operations" as of 30 June 2021. Three MSCs were classified within "Held-for-sale assets and operations" as of 30 June 2021.

- On 27 April 2021, TF1 announced that Newen had taken a majority stake in the iZen group, a major player in audiovisual production in Spain, by acquiring a 65% equity interest for €20 million. The iZen group, which employs around 40 people and also has operations in the United Kingdom, generated average sales of €35 million over the last three financial years. The vendors and the Newen group entered into a shareholder agreement which specifies the terms for (i) the payment of contingent consideration and (ii) the exercise of the reciprocal undertakings whereby the vendors have an option to sell, and the TF1 group has an option to acquire, additional equity interests of 15% in 2025 and 10% in 2028. As of the date control was obtained, provisional goodwill of €15 million was recognised pending finalisation of the purchase price allocation; the impact on net debt was €29 million, including €9 million for the put option granted to the non-controlling shareholders. Valuation of the contingent consideration and reciprocal undertakings will be finalised in the second half of 2021.

- On 17 May 2021, TF1, M6, Bouygues and RTL Group announced that they had signed agreements to enter into exclusive negotiations to merge the activities of TF1 and M6, creating a major French media group. Based on 2020 proforma figures, the merged entity would generate sales of approximately €3.4 billion and current operating profit in the region of €460 million. Bouygues and RTL Group support the transaction, on completion of which they would hold 30% and 16% of the new entity respectively, following the acquisition by Bouygues of an 11% stake from RTL Group for €641 million.

Bouygues would exercise control, and would act in concert with RTL Group in a strategic partnership. The proposal has been approved unanimously by the Boards of Directors of TF1, Bouygues and RTL Group, and by the Supervisory Board of M6. It remains subject to consultation with employee representative bodies (see Note 1.3), to regulatory approvals from the French competition authority (ADLC) and the French broadcasting authority (CSA), and to approval by shareholder meetings. Closing of the transaction is expected by the end of 2022.

- In June 2021, Bouygues SA repurchased 350,000 of its own shares for €12 million, with a view to their cancellation.

1.2 Significant events of the first half of 2020

The principal corporate actions and acquisitions of the first half of 2020 are described below:

- On 30 January 2020, Bouygues Construction was the target of a ransomware attack caused by malware. Bouygues Construction initially shut down its IT system as a precaution to prevent the virus from spreading, and specific measures were taken to ensure business continuity in France and abroad. Steps were taken immediately to restore information systems. No worksites were shut down. An exceptional response from across the entire company, and by experts from within and outside the Bouygues group, meant that Bouygues Construction was able to meet all its commitments. As of 31 December 2020, all services and applications had been restored. The relevant insurance policies were activated; a complaint filed with the competent authorities has not yet led to any prosecution.

- On 17 February 2020, Alstom announced the signature of a memorandum of understanding with Bombardier Inc. and the Caisse de dépôt et placement du Québec to acquire Bombardier Transportation, the rail division of Bombardier (Canada). The price for 100% of Bombardier Transportation's shares would be settled partly in cash, and partly in newly-issued Alstom shares. The transaction was completed on 29 January 2021 (see Note 1.1).

  On 3 November 2020, Bouygues sold 11 million Alstom shares (representing approximately 4.8% of the share capital), generating proceeds of €450 million net of transaction costs. The gain on the sale, amounting to €87 million, was recognised in the fourth quarter of 2020.
  On 16 November 2020, Alstom announced a rights issue of approximately €2 billion in connection with its proposed acquisition of Bombardier Transportation. On 17 November 2020, Bouygues sold 16.45 million of its Alstom pre-emptive subscription rights ("PSRs") at a price of €2.95 per PSR (representing a total of approximately €49 million) through an accelerated book building reserved for qualified investors (the "Offering"). Bouygues sold sufficient PSRs to enable it to fund the exercise of its remaining Alstom PSRs, and thereby to participate in the rights issue in an "opération blanche". This transaction confirmed Bouygues' support for Alstom's strategy and proposed acquisition of Bombardier Transportation, without committing extra capital. Settlement of the Offering took place on 19 November 2020. Bouygues recognised a gain on dilution of €31 million in the fourth quarter of 2020. On completion of this transaction, Bouygues committed to retaining its Alstom shares for a 90-day period ending on 7 March 2021. As of 31 December 2020, Bouygues held a 7.99% equity interest in Alstom.

  This residual interest was accounted for by the equity method in "Investments in joint ventures and associates" as of 31 December 2020, significant influence being established by the presence of Bouygues SA and Olivier Bouygues on the Alstom Board of Directors.

- On 26 February 2020, Bouygues Telecom and Cellnex signed a strategic agreement setting up a company to roll out, market and manage a national fibre optic network (FTTA and FTTO). Effective completion of the transaction occurred on 29 May 2020. Bouygues Telecom signed a long-term service agreement with the new company, which is controlled by Cellnex. The project, worth approximately €1 billion over seven years (to 2027), will enable Bouygues Telecom to link its network infrastructure (mobile towers and fibre optic nodes) via fibre, so that the company can meet growing data usage demand on its networks and extend its footprint in the business and wholesale fixed telecoms markets. As of

31 December 2020, Bouygues Telecom had invested €15 million and held a 49% equity interest in the new company, over which it exercises significant influence. Bouygues Telecom has a call option over the remaining shares exercisable between 15 January and 15 June 2040 and at five-year intervals to 2050, which would give it control over the new company.

- On 19 March 2020, Bouygues Telecom and Phoenix Tower International (a Blackstone portfolio company based in the United States, specialising in mobile infrastructure construction) implemented an agreement to set up a new company to roll out up to approximately 4,000 new mobile sites in France over a 12-year period outside very dense areas. The new company, controlled by Phoenix Tower International, will own and manage the sites. Some of the sites will be deployed to meet Bouygues Telecom's regulatory obligations under the "New Deal Mobile" programme, which aims to deliver targeted improvements in mobile coverage and accelerate the roll-out of the mobile network along transport arteries. The new company has sufficient size and coverage to make it a high-potential infrastructure operator in the French market. As of 31 December 2020, Bouygues Telecom had invested €3 million and held a 40% equity interest in the new company, over which it exercises significant influence. Bouygues Telecom has a call option over the remaining shares exercisable between 15 January and 15 July 2034 and at five-year intervals to 2049, which would give it control over the new company.

- On 7 April 2020, Bouygues carried out a €1 billion bond issue maturing 24 July 2028, bearing interest at 1.125%.

- On 23 April 2020, Bouygues Telecom and Vauban Infrastructures Partners (a BPCE group company) announced the signature of a strategic agreement to ramp up the roll-out of FTTH in medium dense areas served by Orange under private investment deals (AMII and AMEL zones, representing around 13 million premises). Effective completion of the transaction occurred on 29 June 2020. Bouygues Telecom created a special purpose vehicle - Société de Développement pour l'Accès à l'Infrastructure Fibre (SDAIF) - and launched a call for bids at the end of 2019; as a result of that process Vauban Infrastructure Partners, acting on behalf of its funds, was chosen to be SDAIF's new majority shareholder. SDAIF, over which Bouygues Telecom exercises significant influence, will acquire long-term access rights from Orange, helping to co-finance fibre optics alongside the main French operators. More than €1 billion will be invested over the next four years.

  On the formation of SDAIF, Vauban Infrastructure Partners and Bouygues Telecom agreed to subscribe to the share capital of the new company. Bouygues Telecom contributed to the new company (i) a service contract, with an undertaking to access FTTH premises in medium dense areas solely via SDAIF for a 30-year period at a pre-determined price; and (ii) a supply contract enabling SDAIF to purchase FTTH premises from Orange. SDAIF can also offer the same access services to third-party operators.
  The transaction valued Bouygues Telecom's 49% equity interest in SDAIF at €295 million as of 29 June 2020, comprising (i) €272 million for the service and supply contracts, which will be recognised in current operating profit over the term of the contract; and (ii) €23 million for the capital increase to be carried out by Bouygues Telecom. As of 31 December 2020, Bouygues Telecom's interest in SDAIF was measured at €286 million.

  Bouygues Telecom has an option to acquire some or all of the remaining shares of SDAIF, exercisable between 15 March and 15 June each year from 2024 to 2027, and then every five years from 2030 to 2050.

  Finally, Bouygues Telecom sold to SDAIF the access rights it had already acquired from Orange, generating in the second quarter of 2020 disposal proceeds of €185 million and a gain of €17 million (recognised in current operating profit) for the 51% share not held by Bouygues Telecom.

- On 17 June 2020, the Paris Court of Appeal ordered Orange to pay €250 million in damages to Digicel, the company to which Bouygues Telecom sold its operations in the French Antilles in 2006. Under the terms of the purchase agreement, Digicel is required to pass on to Bouygues Telecom a portion of the financial penalties received by Digicel.

  On 9 December 2020, an amount of €90 million was received, in return for setting up a demand guarantee as security for the full or partial reimbursement of the sum by Bouygues Telecom in the event the decision is overturned on appeal. At this stage in the proceedings, no gain has been recognised by Bouygues; the amount received has been recognised within "Cash and cash equivalents" in the balance sheet, with a matching liability recognised in "Other current liabilities". In the cash flow statement for the financial year ended 31 December 2020, it has been included in net cash flows from investing activities, within the line item "Proceeds from disposals of investments in consolidated activities".

- On 25 June 2020, Bouygues Telecom signed an exclusivity agreement with Euro-Information (a Crédit Mutuel group company) with a view to acquiring 100% of the share capital of its subsidiary Euro-Information Telecom (EIT), France’s leading alternative telecoms operator, and to concluding an exclusive distribution agreement between Crédit Mutuel, CIC and Bouygues Telecom. EIT has more than 2 million customers and generated sales of €518 million in 2019. Effective completion of the transaction occurred on 31 December 2020, after it obtained clearance from the French Competition Authority. The purchase price comprises fixed consideration of €596 million paid on closing plus contingent consideration of between €140 million and €325 million, payable over a number of years subject to attainment of economic performance criteria. The acquisition was partially funded by a rights issue subscribed by Bouygues Telecom shareholders. As of the date control was obtained, provisional goodwill of €756 million was recognised and the impact on net debt was €827 million, based on an estimate of the contingent consideration recognised as a financial liability. As of 30 June 2021, provisional goodwill amounted to €624 million, after completion of the purchase price allocation in the first quarter of 2021.

- Consequences of the Covid-19 pandemic

  - Impacts on the Group’s activities

  The Covid-19 pandemic, and the lockdown measures implemented in France and other countries where the Group has operations, led to a sharp decline in activity for the Group’s business segments in 2020. The contraction was concentrated in the first half of the year, with both activity levels and profits recovering strongly in the second half.
  The construction businesses were affected in France by the almost complete shutdown of worksites starting in the last two weeks of March 2020 in line with the lockdown measures, followed by a gradual resumption of activity from 15 April and the postponement of the second round of the French municipal elections to the end of June. To a lesser extent, the businesses were affected by a slowdown or shutdown of operations in other geographies (including Italy, the United Kingdom, Canada, French-speaking Switzerland, Singapore, and the Philippines). By mid-July 2020, virtually all worksites had reopened in France, and activity levels were back to near-normal levels in many other countries. Activity also resumed gradually in Singapore from mid-August. And in France, there was a strong catch-up in activity during the second half of 2020, helped by the signature of a Group-wide agreement allowing for increased working hours and days.
  TF1 was affected by advertising campaigns being postponed or pulled on a massive scale from mid-March 2020 onwards, with the effects intensifying in the second quarter, and also by the shutdown of shooting during lockdown. There was a gradual resumption of shooting from mid-May 2020. At the same time, scheduled events such as cinema releases, live shows and concerts, were severely impacted or (in some cases) remained shut down until the end of the year. However, full-year 2020 results showed that the TF1 group succeeded in adapting its programming schedules and managing its programme costs in response to the crisis. Finally, Bouygues Telecom has been less severely affected by Covid-19, despite the closure of retail outlets during lockdown and reduced roaming sales due to a slump in intercontinental travel and the closure of some borders.

  While maintaining the health and safety of their employees, subcontractors and customers as their number one priority, the Group’s business segments gradually resumed operations as soon as possible, and took the necessary steps to limit the impacts of the crisis on profitability (including negotiations with customers on sharing excess Covid-19 costs, and cost saving plans in all business segments).

  In response to the health crisis and in light of the resulting economic uncertainties, Bouygues has been keen to act responsibly and show solidarity with the major sacrifices being expected of its stakeholders, especially its employees. The Group decided not to defer payments on account of corporate income taxes or social security contributions.

▪ Estimated impacts of the Covid-19 crisis on the 2020 financial year

The Covid-19 pandemic led to a reduction in sales. Current operating profit was impacted by the erosion of current operating margin in the business segments, reflecting not only the reduction in sales but also unavoidable costs incurred in the three sectors of activity in spite of flexibility measures. Those costs mainly comprise fixed personnel costs (staff working part-time or not at all, net of any government support received); unoccupied premises; idle plant and equipment; and measures taken to ensure employees working on site are protected from health risks. As a reminder, the year-on-year sales performance for the first half of 2020 (versus the first half of 2019) was adversely affected by approximately €2,780 million as a result of the Covid-19 crisis. The year-on-year current operating profit performance for the first half of 2020 (versus the first half of 2019) was adversely affected by approximately €650 million as a result of the Covid-19 crisis.

Estimates (€ million)	**Sales**	**Current operating profit**
Bouygues Construction	-1,250	-290
Bouygues Immobilier	-400	-50
Colas	-810	-190
Construction businesses	**-2,460**	**-530**
TF1	**-250**	**-100**
Bouygues Telecom	**-70**	**-20**

Due to the resumption of the Group's activities, it is impossible to quantify separately the impact of Covid-19 on the Group's year-on-year performance from 1 July 2020 onwards.

1.3 Significant events and changes in scope of consolidation subsequent to 30 June 2021

- On 8 July 2021, the Bouygues group and RTL Group (of the one part) and TF1 and M6 (of the other part) announced the signature of agreements between the parties relating to the merger of the TF1 and M6 groups, following unanimous approval of the proposal by the employee representative bodies of Bouygues, TF1 and M6 on 24 June 2021. Closing of the transaction remains subject to the other conditions described in Note 1.1.

Note 2 Group accounting policies

2.1 Declaration of compliance

The interim condensed consolidated financial statements of Bouygues and its subsidiaries ("the Group") for the six months ended 30 June 2021 were prepared in accordance with IAS 34, "Interim Financial Reporting", a standard issued by the International Accounting Standards Board (IASB) and endorsed by the European Union. Because they are condensed, these financial statements do not include all the information required under the standards issued by the IASB, and should be read in conjunction with the full-year financial statements of the Bouygues group for the year ended 31 December 2020 as presented in the Universal Registration Document filed with the AMF on 17 March 2021.

They were prepared in accordance with the standards issued by the IASB as endorsed by the European Union and applicable as of 30 June 2021. Those standards (collectively referred to as "IFRS") comprise International Financial Reporting Standards (IFRSs), International Accounting Standards (IASs), and interpretations issued by the IFRS Interpretations Committee – previously the International Financial Reporting Interpretations Committee (IFRIC), itself the successor body to the Standing Interpretations Committee (SIC). The Group has not early adopted as of 30 June 2021 any standard or interpretation not endorsed by the European Union.

Unless otherwise indicated, the financial statements are presented in millions of euros, the currency in which the majority of the Group's transactions are denominated; they comprise the balance sheet, the income statement, the statement of recognised income and expense, the statement of changes in shareholders' equity, the cash flow statement, and the notes to the financial statements.

2.2 Basis of preparation of the financial statements

The condensed interim consolidated financial statements of the Bouygues group include the financial statements of Bouygues SA and its five business segments.

They were closed off by the Board of Directors on 25 August 2021.

The interim condensed consolidated financial statements for the six months ended 30 June 2021 were prepared in accordance with IFRS using the historical cost convention, except for certain financial assets and liabilities measured at fair value where this is required under IFRS. They include comparatives with the financial statements for the year ended 31 December 2020 and the six months ended 30 June 2020; the balance sheets as of those dates have been restated to reflect the final decision of the IFRS Interpretations Committee of 26 November 2019 and the summary conclusion issued on 3 July 2020 by the ANC (the French national accounting standard-setter) on the lease terms to be applied under IFRS 16. That conclusion led the Group to reassess its lease terms during the fourth quarter of 2020. Based on the analysis performed, the only business segment affected was Bouygues Telecom; in particular, the lease terms applied to radio sites were revised upward to ensure consistency with depreciation periods applied to non-movable fixtures and fittings. The effect was to increase right-of-use assets and lease obligations by €126 million as of 1 January 2020 and by €125 million as of 30 June 2020, with no impact on equity.

In preparing the interim condensed consolidated financial statements, management used estimates and assumptions as described in Note 2.2 to the consolidated financial statements for the year ended 31 December 2020.

Accounting policies specific to the interim condensed consolidated financial statements are as follows:

- Income taxes of consolidated entities for interim periods are assessed in accordance with IAS 34: the income taxes of each entity for the period are recognised on the basis of the best estimate of the average annual effective income tax rate for the financial year (except in the case of holding companies, which recognise income taxes on the basis of the actual tax position at the end of the period).

- Employee benefit expenses for interim periods are recognised pro rata based on the estimated expense for the full year, calculated using the actuarial assumptions and projections applied as of 31 December 2020. Employee headcount, salaries and actuarial assumptions may be revised where the impact is material.

  As of 30 June 2021, the impact of an additional increase or decrease in discount rates within and outside France would be as follows:

	Assumption	Increase	Decrease
Lump-sum retirement benefits (France)	50 basis points	(41)	46
Pensions (outside France)	20 basis points	(23)	24

2.3 New accounting standards and interpretations

The Bouygues group applied the same standards, interpretations and accounting policies in the six months ended 30 June 2021 as were applied in its consolidated financial statements for the year ended 31 December 2020, except for changes required to meet new IFRS requirements applicable from 1 January 2021 (see below).

- Principal amendments effective within the European Union and mandatorily applicable as of 1 January 2021

  - Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

    On 27 August 2020, the IASB issued amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (phase 2) in connection with interest rate benchmark reform. Those amendments were endorsed by the European Union on 13 January 2021, and are applicable retrospectively from 1 January 2021.

    The impact of the amendments on the Group is immaterial.

  - IFRS IC Agenda Decision on IAS 19

    In May 2021, the IASB approved the IFRS IC Agenda Decision of December 2020 on the method for calculating the period of service used when measuring the provision for lump-sum retirement benefits. The most common approach currently applied in France (including by Bouygues) is to attribute the benefit on a straight line basis over the entire period from the date an employee joins the retirement benefit scheme to the date of retirement. However, the IFRS IC takes the view that the benefit should only be attributed on a straight line basis over the specified number of pre-retirement years of service at which the benefit entitlement is capped.
    Bouygues is currently assessing the impact of that Agenda Decision, in particular through an analysis of the relevant retirement benefit schemes and collective agreements. As of 30 June 2021, Bouygues continues to attribute such benefits from the date on which the employee joins the scheme.

2.4 Seasonal fluctuations

Sales and operating profit are subject to strong seasonal fluctuations due to low activity levels during the first half of the year, primarily at Colas due to weather conditions. The extent of those fluctuations varies from year to year; in the first half of 2020, the effect was amplified by the impact of the Covid-19 pandemic (see Note 1.2). In accordance with IFRS, sales for interim accounting periods are recognised on the same basis as full-year sales.

Note 3 Non-current assets

3.1 Goodwill

3.1.1 Movement in the carrying amount of goodwill during the period

	Carrying amount
31/12/2020	**7,232**
Changes in scope of consolidation	18
Impairment losses charged during the period	
Other movements (including translation adjustments)	(118)
30/06/2021	**7,132**

The decrease during the first half of 2021 relates mainly to fair value remeasurements made in order to recognise acquired intangible assets (customer base) as part of the purchase price allocation on Bouygues Telecom Business Distribution (BTBD, formerly EIT), amounting to €132 million net of deferred taxes, partly offset by the recognition of goodwill amounting to €15 million on the acquisition by TF1 of a 65% equity interest in iZen and by translation adjustments of €14 million.

The table below shows how provisional goodwill as at 30 June 2021 was determined for significant acquisitions made since 31 December 2019.

	BTBD (formerly EIT)	iZen
CGU	**Bouygues Telecom**	**TF1**
Purchase price (I)	**824**	**20**
Net assets acquired, excluding goodwill (II)		
Non-current assets	(59)	(5)
Current assets	(109)	(16)
Non-current liabilities	5	2
Current liabilities	110	12
Purchase price allocation (III)		
Remeasurement of acquired intangible assets	(179)	
Remeasurement of acquired property, plant and equipment		
Other remeasurements (including deferred taxes)	32	
Unacquired portion		**2**
Goodwill (I)+(II)+(III)	**624**	**15**
Translation adjustments		
Goodwill at 30/06/2021	**624**	**15**

3.1.2 Allocation of goodwill by Cash Generating Unit (CGU)

	30/06/2021		31/12/2020	
CGU	**Total**	**% Bouygues or subsidiaries**	**Total**	**% Bouygues or subsidiaries**
Bouygues Construction [a]	1,089	100.00	1,079	99.97
Colas [b]	1,333	96.87	1,319	96.87
TF1 [b]	1,363	43.68	1,355	43.70
Bouygues Telecom [b]	3,347	90.53	3,479	90.53
TOTAL	**7,132**		**7,232**	

(a) *Only includes goodwill on subsidiaries acquired by the CGU*
(b) *Includes goodwill on subsidiaries acquired by the CGU and on acquisitions made at parent company (Bouygues SA) level for the CGU*

In the absence of any evidence of impairment, the goodwill recognised as of 30 June 2021 has not been subject to further impairment testing.

3.2 Investments in joint ventures and associates

An analysis by business segment of the share of net profits/losses of joint ventures and associates is provided in Note 11.

	Carrying amount
31/12/2020	**1,542**
Share of net profit/(loss) for the period	201
Translation adjustments	14
Other income and expense recognised directly in equity	20
Net profit/(loss) and other recognised income and expense	**235**
Appropriation of prior-year profit, dividends distributed, acquisitions and capital increases, disposals, transfers and other movements	(978)
30/06/2021	**799**

The carrying amount of investments in joint ventures and associates decreased by €743 million in the period. That figure includes €711 million relating to Alstom, mainly comprising (i) the profit contribution from Alstom of €219 million and (ii) a reduction of €950 million in the carrying amount of the investment in Alstom, largely as a result of the transactions involving Alstom's share capital during the first half of 2021 which resulted in Bouygues losing significant influence.

Alstom's €219 million contribution to the net profit of Bouygues for the first half of 2021, versus €35 million for the first half of 2020, comprises:

- a gain on dilution of €56 million following the two rights issues carried out in the first quarter of 2021 (see Note 1.1);
- a gain of €59 million (net of transaction costs and taxes) following the sale by Bouygues of 12 million Alstom shares, representing a 3.23% equity interest, in the first quarter of 2021 (see Note 1.1);
- a gain of €93 million (net of transaction costs and taxes) following the sale by Bouygues of 11 million Alstom shares, representing a 2.96% equity interest, in the second quarter of 2021 (see Note 1.1);
- the fair value measurement as of 2 June 2021 of the retained 0.16% equity interest, amounting to €6 million (see Note 1.1); and
- €5 million for the Bouygues group's net profit contribution from Alstom for the second half of Alstom's 2020/2021 financial year, calculated on the basis of the results published by Alstom on 11 May 2021 for its 2020/2021 financial year. Given the time-lag between the accounting year-ends of Alstom (31 March) and Bouygues (31 December), the Bouygues group's net profit contribution from Alstom for the first half of Alstom's 2020/2021 financial year was recognised in the Bouygues financial statements for the nine months ended 30 September 2020.

With effect from 2 June 2021, the residual equity interest in Alstom is accounted for at fair value through other comprehensive income. The carrying amount of the retained equity interest in Alstom as of 30 June 2021 was €25 million, included within "Other non-current financial assets".

As of 30 June 2021, the investment in SDAIF had a carrying amount of €266 million in the Bouygues balance sheet, including the €9 million share of SDAIF's net loss for the period.

Note 4 Consolidated shareholders' equity

Share capital of Bouygues SA

As of 30 June 2021, the share capital of Bouygues SA consisted of 380,936,925 shares with a par value of €1.

		Movements during 2021		
	31/12/2020	**Increases**	**Reductions**	**30/06/2021**
Shares	380,759,842	177,083 [a]		380,936,925
NUMBER OF SHARES	**380,759,842**	**177,083**		**380,936,925**
Par value	€1			€1
SHARE CAPITAL (€)	**380,759,842**	**177,083**		**380,936,925**

(a) The increase in share capital was due to 177,083 new shares being issued on exercise of stock options in the first half of 2021

Note 5 Non-current and current provisions

5.1 Non-current provisions

	Employee benefits [a]	Litigation and claims [b]	Guarantees given [c]	Other non-current provisions [d]	Total
31/12/2020	**958**	**282**	**378**	**627**	**2,245**
Translation adjustments	6		4	3	13
Changes in scope of consolidation	1			(3)	(2)
Charges to provisions	46	27	29	57	159
Reversals of provisions (utilised or unutilised)	(30)	(38)	(30)	(47)	(145) [e]
Actuarial gains and losses	(2)				(2) [f]
Transfers and other movements				21	21
30/06/2021	**979**	**271**	**381**	**658**	**2,289**

		Principal segments involved:	
(a) Employee benefits	**979**		
Lump-sum retirement benefits	626	Bouygues Construction	322
Long-service awards	137	Colas	437
Pensions	216	TF1	55
		Bouygues Telecom	113
(b) Litigation and claims	**271**	Bouygues Construction	105
Provisions for customer disputes	96	Bouygues Immobilier	18
Subcontractor claims	44	Colas	88
Employee-related and other litigation and claims	131	Bouygues Telecom	53
(c) Guarantees given	**381**	Bouygues Construction	287
Provisions for 10-year construction guarantees	258	Bouygues Immobilier	23
Provisions for additional building/civil engineering/civil works guarantees	123	Colas	71
(d) Other non-current provisions	**658**	Bouygues Construction	116
Provisions for miscellaneous foreign risks	43	Colas	346
Provisions for risks on non-controlled entities	113	Bouygues Telecom	140
Dismantling and site rehabilitation	328		
Provisions for social security inspections	109		
Other non-current provisions	65		
(e) Including reversals of unutilised provisions in the first half of 2021	**(24)**		

(f) The zero amount reported in the consolidated statement of income and expense for actuarial gains and losses on post-employment benefits comprises a €2 million gain on provisions for pensions, and a €2 million loss on overfunded plans (shown on the assets side of the balance sheet).

5.2 Current provisions

Provisions related to the operating cycle	Provisions for customer warranties	Provisions for project risks and project completion [a]	Provisions for expected losses to completion [a]	Other current provisions [b]	Total
31/12/2020	**44**	**383**	**498**	**317**	**1,242**
Translation adjustments	1	4	2	2	9
Changes in scope of consolidation	(1)		2	2	3
Charges to provisions	5	78	159	60	302
Reversals of provisions (utilised or unutilised)	(3)	(87)	(132)	(88)	(310) [c]
Transfers and other movements	1	(2)	2	9	10
30/06/2021	**47**	**376**	**531**	**302**	**1,256**

(a) Mainly Bouygues Construction and Colas
Individual project provisions are not disclosed for confidentiality reasons.

(b) Other current provisions:	**302**	**Principal segments involved:**	
Reinsurance provisions	42	Bouygues Construction	124
Restructuring provisions	11	Bouygues Immobilier	40
Site rehabilitation (current portion)	16	Colas	99
Miscellaneous current provisions	233	TF1	16

(c) Includes reversals of unutilised provisions in the first half of 2021 **(71)**

Note 6 Non-current and current debt

6.1 Breakdown of debt

	Current debt		Non-current debt	
	30/06/2021	31/12/2020	30/06/2021	31/12/2020
Bond issues	871	90	3,015	3,811
Bank borrowings	240	299	1,759	1,344
Other borrowings	88	85	432	389
TOTAL NON-CURRENT AND CURRENT DEBT	**1,199**	**474**	**5,206**	**5,544**

Non-current debt decreased by €338 million in the period, and current debt increased by €725 million, mainly due to (i) the reclassification of the €800 million Bouygues SA bond issue maturing in February 2022 from non-current to current and (ii) a non-current loan of €333 million granted to Bouygues Telecom by the European Investment Bank.

6.2 Covenants and trigger events

All bond issues contain a change of control clause relating to Bouygues SA.
The bank credit facilities contracted by Bouygues SA contain no financial covenants or trigger event clauses. The same applies to facilities used by Bouygues SA subsidiaries.

Note 7 Change in net debt

	31/12/2020	Translation adjustments	Changes in scope of consolidation	Cash flows	Fair value adjustments	Other movements	30/06/2021
Cash and cash equivalents	4,224	20	(1)	(339)			3,904
Overdrafts and short-term bank borrowings	(187)	14		(141)			(314)
NET CASH POSITION (A)	**4,037**	**34** [a]	**(1)** [a]	**(480)** [a]			**3,590**
Non-current debt	5,544	21	3	434 [b]	3	(799) [c]	5,206
Current debt	474	2		(69) [b]	(10)	802 [c]	1,199
Financial instruments, net				[b]	(2)		(2)
TOTAL DEBT (B)	**6,018**	**23**	**3**	**365**	**(9)**	**3**	**6,403**
NET DEBT (A) - (B)	**(1,981)**	**11**	**(4)**	**(845)**	**9**	**(3)**	**(2,813)**

(a) *Decrease of €447m in net cash position in the first half of 2021, as reported in the consolidated cash flow statement*
(b) *Net cash inflow of €365m in the first half of 2021, as analysed in the consolidated cash flow statement, and comprising total inflows of €1,261m and total outflows of €896m*
(c) *Includes €800m for the reclassification of the Bouygues SA bond issue maturing in February 2022 from non-current to current*

Note 8 Sales

	1st half of 2021				1st half of 2020			
	France	International	Total	%	France	International	Total	%
Bouygues Construction	2,643	3,633	6,276	36	1,847	3,439	5,286	36
Bouygues Immobilier	924	56	980	6	646	55	701	5
Colas	2,814	2,752	5,566	32	2,223	2,632	4,855	33
TF1	1,007	103	1,110	6	785	77	862	6
Bouygues Telecom	3,459		3,459	20	3,032		3,032	20
Bouygues SA & other	5	21	26		6	16	22	
CONSOLIDATED SALES	**10,852**	**6,565**	**17,417**	**100**	**8,539**	**6,219**	**14,758**	**100**

	2nd quarter of 2021				2nd quarter of 2020			
	France	International	Total	%	France	International	Total	%
Bouygues Construction	1,348	1,897	3,245	34	735	1,628	2,363	31
Bouygues Immobilier	497	31	528	5	302	26	328	4
Colas	1,656	1,902	3,558	37	1,205	1,698	2,903	39
TF1	551	58	609	6	347	37	384	5
Bouygues Telecom	1,721		1,721	18	1,550		1,550	21
Bouygues SA & other	3	11	14		1	10	11	
CONSOLIDATED SALES	**5,776**	**3,899**	**9,675**	**100**	**4,140**	**3,399**	**7,539**	**100**

Refer to Note 11 for an analysis of sales by category and business segment.

Note 9 Operating profit

	1st half		2nd quarter	
	2021	2020	2021	2020
CURRENT OPERATING PROFIT/(LOSS)	**471**	**(132)**	**548**	**110**
Other operating income	97	7	35	4
Other operating expenses	(17)	(51)	(11)	(50)
OPERATING PROFIT/(LOSS)	**551**	**(176)**	**572**	**64**

Refer to Note 11 for an analysis of current operating profit and operating profit by business segment.

The main components of “Other operating income” and “Other operating expenses” are as follows:

1st half of 2021

Items related to Bouygues Telecom, Bouygues Immobilier, TF1 and Bouygues SA representing net income of €80 million, comprising:

- €97 million gains from sales of data centres (see Note 1.1), minus €6 million of network sharing costs (Bouygues Telecom);
- €6 million of adaptation costs (Bouygues Immobilier);
- €5 million of advisory fees, mainly relating to the proposed merger of TF1 and M6 (see Note 1.1).

1st half of 2020

Items related to Bouygues Telecom and Colas representing net expense of €44 million, comprising:

- €6 million of gains on asset disposals (transfer of sites and towers to Cellnex) plus €1 million of other operating income, minus €6 million of network sharing costs (Bouygues Telecom);
- €45 million of provisions recognized to cover additional dismantling costs at the Dunkirk refinery and the consequences of the reorganisation of the Roads business in France (Colas).

Note 10 Income taxes

Bouygues recognised net income tax expense of €146 million in the first half of 2021.

	1st half		2nd quarter	
	2021	2020	2021	2020
INCOME TAX GAIN/(EXPENSE)	(146)	12	(162)	(73)

The effective tax rate was 34% for the first half of 2021, versus 4% for the first half of 2020.

The main factors explaining the 2021 first-half effective tax rate are:

- tax losses outside France for which no deferred tax asset was recognised given that the taxable base was in profit; partially offset by
- differential tax rates (due to divestments during the period taxed at reduced rates); and
- the tax-exempt status of the tax credit for TV broadcasters, recognised by TF1 from June 2021 onwards.

The effective tax rate for the first half of 2020 was negatively affected by (i) tax losses outside France for which no deferred tax asset was recognised given that the taxable base was in loss and (ii) the fact that deferred taxes recognised in respect of tax losses incurred by subsidiaries included in the Bouygues SA French group tax election were calculated using a tax rate of 25.83% (as opposed to the 32.02% rate applicable in 2020) to the extent that those losses will not start to be offset against profits until 2023.

Note 11 Segment information

The tables below show the contribution made by each business segment to key items in the income statement, balance sheet and cash flow statement:

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
INCOME STATEMENT: 1st half of 2021							
Advertising				802			802
Sales of services	2,092	35	164	289	2,743	104	5,427
Other sales from construction businesses	4,216	946	4,353				9,515
Other revenues	29		1,074	38	728		1,869
Total sales	**6,337**	**981**	**5,591**	**1,129**	**3,471**	**104**	**17,613**
Inter-segment sales	(61)	(1)	(25)	(19)	(12)	(78)	(196)
THIRD-PARTY SALES	**6,276**	**980**	**5,566**	**1,110**	**3,459**	**26**	**17,417**
CURRENT OPERATING PROFIT/(LOSS)	**166**	**17**	**(100)**	**169**	**244**	**(25)**	**471**
OPERATING PROFIT/(LOSS)	**166**	**11**	**(100)**	**167**	**335**	**(28)**	**551**
Share of net profits/(losses) of joint ventures and associates	6	(6)	4	(13)	(9)	219	201
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	**119**	**(6)**	**(108)**	**47**	**199**	**157**	**408**

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
INCOME STATEMENT: 1st half of 2020							
Advertising				615			615
Sales of services	1,819	19	164	236	2,404	93	4,735
Other sales from construction businesses	3,464	682	3,838				7,984
Other revenues	38		868	33	638		1,577
Total sales	**5,321**	**701**	**4,870**	**884**	**3,042**	**93**	**14,911**
Inter-segment sales	(35)		(15)	(22)	(10)	(71)	(153)
THIRD-PARTY SALES	**5,286**	**701**	**4,855**	**862**	**3,032**	**22**	**14,758**
CURRENT OPERATING PROFIT/(LOSS)	**(95)**	**(38)**	**(304)**	**68**	**253**	**(16)**	**(132)**
OPERATING PROFIT/(LOSS)	**(95)**	**(38)**	**(349)**	**68**	**254**	**(16)**	**(176)**
Share of net profits/(losses) of joint ventures and associates	39		4	(1)		35	77
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	**(66)**	**(33)**	**(285)**	**17**	**142**	**(19)**	**(244)**

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
INCOME STATEMENT: 2nd quarter of 2021							
Advertising				444			444
Sales of services	1,126	20	86	155	1,380	53	2,820
Other sales from construction businesses	2,145	509	2,761				5,415
Other revenues	8		724	20	348		1,100
Total sales	**3,279**	**529**	**3,571**	**619**	**1,728**	**53**	**9,779**
Inter-segment sales	(34)	(1)	(13)	(10)	(7)	(39)	(104)
THIRD-PARTY SALES	**3,245**	**528**	**3,558**	**609**	**1,721**	**14**	**9,675**
CURRENT OPERATING PROFIT/(LOSS)	**85**	**13**	**177**	**112**	**168**	**(7)**	**548**
OPERATING PROFIT/(LOSS)	**85**	**11**	**177**	**110**	**199**	**(10)**	**572**
Share of net profits/(losses) of joint ventures and associates	4	(2)	6	(7)	(5)	100	96
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	**62**	**1**	**112**	**32**	**119**	**61**	**387**

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
INCOME STATEMENT: 2nd quarter of 2020							
Advertising				259			259
Sales of services	872	7	81	115	1,199	46	2,320
Other sales from construction businesses	1,502	321	2,289				4,112
Other revenues	16		541	16	356		929
Total sales	**2,390**	**328**	**2,911**	**390**	**1,555**	**46**	**7,620**
Inter-segment sales	(27)		(8)	(6)	(5)	(35)	(81)
THIRD-PARTY SALES	**2,363**	**328**	**2,903**	**384**	**1,550**	**11**	**7,539**
CURRENT OPERATING PROFIT/(LOSS)	**(134)**	**(22)**	**66**	**26**	**185**	**(11)**	**110**
OPERATING PROFIT/(LOSS)	**(134)**	**(22)**	**21**	**26**	**184**	**(11)**	**64**
Share of net profits/(losses) of joint ventures and associates	39	1	13			(1)	52
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	**(88)**	**(18)**	**5**	**6**	**106**	**(51)**	**(40)**

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Current operating profit/(loss)	**166**	**17**	**(100)**	**169**	**244**	**(25)**	**471**
• Interest expense on lease obligations	(4)	(1)	(7)	(2)	(12)		(26)
Elimination of net depreciation and amortisation expense and of net charges to provisions and impairment losses:							
• Net depreciation and amortisation expense on property, plant and equipment and intangible assets	102	5	176	173	527	6	989
• Charges to provisions and impairment losses, net of reversals due to utilisation	49	20	50	(11)	7	12	127
Elimination of items included in other income from operations:							
• Reversals of unutilised provisions and impairment and other items	(59)	(14)	(43)	(7)	(8)		(131)
EBITDA AFTER LEASES: 1st half of 2021	**254**	**27**	**76**	**322**	**758**	**(7)**	**1,430**

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Current operating profit/(loss)	**(95)**	**(38)**	**(304)**	**68**	**253**	**(16)**	**(132)**
• Interest expense on lease obligations	(5)	(1)	(7)	(2)	(11)	1	(25)
Elimination of net depreciation and amortisation expense and of net charges to provisions and impairment losses:							
• Net depreciation and amortisation expense on property, plant and equipment and intangible assets	99	5	186	106	446	4	846
• Charges to provisions and impairment losses, net of reversals due to utilisation	40	4	17	(6)	30	(4)	81
Elimination of items included in other income from operations:							
• Reversals of unutilised provisions and impairment and other items	(101)	(7)	(25)	(6)	(7)	(1)	(147)
EBITDA AFTER LEASES: 1st half of 2020	**(62)**	**(37)**	**(133)**	**160**	**711**	**(16)**	**623**

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Current operating profit/(loss)	**85**	**13**	**177**	**112**	**168**	**(7)**	**548**
• Interest expense on lease obligations	(2)	(1)	(3)	(1)	(6)		(13)
Elimination of net depreciation and amortisation expense and of net charges to provisions and impairment losses:							
• Net depreciation and amortisation expense on property, plant and equipment and intangible assets	53	2	110	89	269	4	527
• Charges to provisions and impairment losses, net of reversals due to utilisation	40	20	61	(2)		1	120
Elimination of items included in other income from operations:							
• Reversals of unutilised provisions and impairment and other items	(38)	(8)	(24)	(4)	(3)		(77)
EBITDA AFTER LEASES: 2nd quarter of 2021	**138**	**26**	**321**	**194**	**428**	**(2)**	**1,105**

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Current operating profit/(loss)	**(134)**	**(22)**	**66**	**26**	**185**	**(11)**	**110**
• Interest expense on lease obligations	(3)	(1)	(3)	(1)	(5)	2	(11)
Elimination of net depreciation and amortisation expense and of net charges to provisions and impairment losses:							
• Net depreciation and amortisation expense on property, plant and equipment and intangible assets	51	3	116	50	222	1	443
• Charges to provisions and impairment losses, net of reversals due to utilisation	49	11	12	1	10	3	86
Elimination of items included in other income from operations:							
• Reversals of unutilised provisions and impairment and other items	(62)	(2)	(10)	(4)		(1)	(79)
EBITDA AFTER LEASES: 2nd quarter of 2020	**(99)**	**(11)**	**181**	**72**	**412**	**(6)**	**549**

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Financial indicators: balance sheet at 30/06/2021							
NET SURPLUS CASH/(NET DEBT)	**2,696**	**(400)**	**(631)**	**34**	**(2,229)**	**(2,283)**	**(2,813)**
Financial indicators: balance sheet at 31/12/2020							
NET SURPLUS CASH/(NET DEBT)	**3,143**	**(306)**	**(7)**	**(1)**	**(1,740)**	**(3,070)**	**(1,981)**

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Other financial indicators: 1st half 2021							
Cash flow after cost of net debt, interest expense on lease obligations and income taxes paid (I)	222	18	37	299	746	(22)	1,300
Acquisitions of property, plant & equipment and intangible assets, net of disposals (II)	(45)	(2)	(39)	(122)	(582)		(790)
Repayment of lease obligations (III)	(41)	(4)	(52)	(11)	(71)	1	(178)
FREE CASH FLOW (I) + (II) + (III)	**136**	**12**	**(54)**	**166**	**93**	**(21)**	**332**
CHANGES IN WORKING CAPITAL RELATED TO OPERATING ACTIVITIES (INCLUDING CURRENT IMPAIRMENT AND PROVISIONS)	**(443)**	**(105)**	**(481)**	**(63)**	**(201)**	**(83)**	**(1,376)**

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Other financial indicators: 1st half 2020							
Cash flow after cost of net debt, interest expense on lease obligations and income taxes paid (I)	(45)	(44)	(150)	139	695	(22)	573
Acquisitions of property, plant & equipment and intangible assets, net of disposals (II)	(37)	(2)	(72)	(107)	(387)	(2)	(607)
Repayment of lease obligations (III)	(53)	(4)	(47)	(10)	(75)	(1)	(190)
FREE CASH FLOW (I) + (II) + (III)	**(135)**	**(50)**	**(269)**	**22**	**233**	**(25)**	**(224)**
CHANGES IN WORKING CAPITAL RELATED TO OPERATING ACTIVITIES (INCLUDING CURRENT IMPAIRMENT AND PROVISIONS)	**(405)**	**(217)**	**(334)**	**105**	**(104)**	**(82)**	**(1,037)**

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Other financial indicators: 2nd quarter 2021							
Cash flow after cost of net debt, interest expense on lease obligations and income taxes paid (I)	93	11	274	182	407	8	975
Acquisitions of property, plant & equipment and intangible assets, net of disposals (II)	(29)	(1)	(28)	(73)	(313)	1	(443)
Repayment of lease obligations (III)	(19)	(2)	(26)	(6)	(35)	1	(87)
FREE CASH FLOW (I) + (II) + (III)	**45**	**8**	**220**	**103**	**59**	**10**	**445**
CHANGES IN WORKING CAPITAL RELATED TO OPERATING ACTIVITIES (INCLUDING CURRENT IMPAIRMENT AND PROVISIONS)	**262**	**(70)**	**(363)**	**(67)**	**(127)**	**(65)**	**(430)**

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Other financial indicators: 2nd quarter 2020							
Cash flow after cost of net debt, interest expense on lease obligations and income taxes paid (I)	(148)	(20)	161	57	380	(2)	428
Acquisitions of property, plant & equipment and intangible assets, net of disposals (II)	(23)		(37)	(44)	(43)	(3)	(150)
Repayment of lease obligations (III)	(28)	(2)	(24)	(5)	(40)	(1)	(100)
FREE CASH FLOW (I) + (II) + (III)	**(199)**	**(22)**	**100**	**8**	**297**	**(6)**	**178**
CHANGES IN WORKING CAPITAL RELATED TO OPERATING ACTIVITIES (INCLUDING CURRENT IMPAIRMENT AND PROVISIONS)	**149**	**(119)**	**(194)**	**14**	**48**	**(65)**	**(167)**

Note 12 Off balance sheet commitments

There have been no material changes in off balance sheet commitments since 31 December 2020 other than:

- an order placed by Colas in the second quarter of 2021 for the construction of an asphalt carrier cargo ship, representing a commitment of approximately €34 million; and
- the expiry on 7 March 2021 of the commitment made by Bouygues SA, in connection with Alstom's acquisition of Bombardier Transportation, to retain its shares in Alstom.

Note 13 Related party information

There have been no material changes in the nature of transactions with related parties since 31 December 2020.

5. AUDITORS' REPORT ON FIRST-HALF FINANCIAL INFORMATION

To the shareholders,

In compliance with the assignment entrusted to us by your Annual General Meetings and in accordance with the requirements of Article L. 451-1-2 III of the French Monetary and Financial Code (Code Monétaire et Financier), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Bouygues, for the period from 1 January to 30 June 2021;
- the verification of the information presented in the half-yearly management report.

The global crisis caused by the Covid-19 pandemic created challenging conditions for the preparation and limited review of the condensed half-yearly consolidated financial statements. The crisis – and the unprecedented public health measures taken in response – had multiple consequences for businesses, especially on their operations and finances, and also created increased uncertainty about their future prospects. Some of those measures, such as travel restrictions and teleworking, also had an impact on internal organisation within companies and on the arrangements for conducting reviews.

These condensed half-yearly consolidated financial statements were prepared under the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34, the standard issued by the IASB and endorsed by the European Union applicable to interim financial information.

2. Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Paris-La Défense, 25 August 2021

The Statutory Auditors

MAZARS	ERNST & YOUNG Audit
Gilles Rainaut	Nicolas Pfeuty

6. GLOSSARY

4G consumption: data consumed on 4G cellular networks, excluding Wi-Fi.

4G users: customers who have used the 4G network during the last three months (Arcep definition).

ABPU (Average Billing Per User):
- In the mobile segment, it is equal to the total of mobile sales billed to customers (BtoC and BtoB) divided by the average number of customers over the period. It excludes MtoM SIM cards and free SIM cards.
- In the fixed segment, it is equal to the total of fixed sales billed to customers (excluding BtoB) divided by the average number of customers over the period.

BtoB (business to business): when one business makes a commercial transaction with another.

Backlog (Bouygues Construction, Colas): the amount of work still to be done on projects for which a firm order has been taken, i.e. the contract has been signed and has taken effect (after notice to proceed has been issued and suspensory clauses have been lifted).

Backlog (Bouygues Immobilier): sales outstanding from notarized sales plus total sales from signed reservations that have still to be notarized.
Under IFRS 11, Bouygues Immobilier's backlog does not include sales from reservations taken via companies accounted for by the equity method (co-promotion companies where there is joint control).

Construction businesses: Bouygues Construction, Bouygues Immobilier and Colas.

EBITDA after Leases: current operating profit after taking account of the interest expense on lease obligations, before (i) net charges for depreciation, amortization and impairment losses on property, plant and equipment and intangible assets, (ii) net charges to provisions and other impairment losses and (iii) effects of acquisitions of control or losses of control. Those effects relate to the impact of remeasuring previously-held interests or retained interests

EBITDA margin after Leases (Bouygues Telecom): EBITDA after Leases as a proportion of sales from services.

Free cash flow: net cash flow (determined after (i) cost of net debt, (ii) interest expense on lease obligations and (iii) income taxes paid), minus net capital expenditure and repayments of lease obligations. It is calculated before changes in working capital requirements (WCR) related to operating activities and excluding 5G frequencies.

Free cash flow after WCR: net cash flow (determined after (i) cost of net debt, (ii) interest expense on lease obligations and (iii) income taxes paid), minus net capital expenditure and repayments of lease obligations, and after changes in working capital requirements (WCR) related to operating activities.
It is calculated after changes in working capital requirements (WCR) related to operating activities and excluding 5G frequencies.

Fixed churn: the total number of cancellations in a given month, divided by the total number of subscribers at the end of the previous month.

FTTH (Fiber to the Home): optical fiber from the central office (where the operator's transmission equipment is installed) all the way to homes or business premises (Arcep definition).

FTTH penetration rate: the FTTH share of the total fixed subscriber base (the number of FTTH customers divided by the total number of fixed customers).

FTTH premises secured: the horizontal deployed, being deployed or ordered up to the concentration point.

FTTH premises marketed: the connectable sockets, i.e. the horizontal and vertical deployed and connected via the concentration point.

Growth in sales like-for-like and at constant exchange rates:
- at constant exchange rates: change after translating foreign-currency sales for the current period at the exchange rates for the comparative period;
- on a like-for-like basis: change in sales for the periods compared, adjusted as follows:
  - for acquisitions, by deducting from the current period those sales of the acquired entity that have no equivalent during the comparative period;
  - for divestments, by deducting from the comparative period those sales of the divested entity that have no equivalent during the current period.

Mobile churn: the total number of cancellations in a given month, divided by the total number of subscribers at the end of the previous month.

MtoM: machine to machine communication. This refers to direct communication between machines or smart devices or between smart devices and people via an information system using mobile communications networks, generally without human intervention.

Net surplus cash/(net debt): the aggregate of cash and cash equivalents, overdrafts and short-term bank borrowings, non-current and current debt, and financial instruments. Net surplus cash/(net debt) does not include non-current and current lease obligations. A positive figure represents net surplus cash and a negative figure represents net debt. The main components of change in net debt are presented in Note 7 to the consolidated financial statements at 30 June 2021.

Order intake (Bouygues Construction, Colas): a project is included under order intake when the contract has been signed and has taken effect (the notice to proceed has been issued and all suspensory clauses have been lifted) and the financing has been arranged. The amount recorded corresponds to the sales the project will generate.

PIN: Public-Initiative Network.

Reservations by value (Bouygues Immobilier): the € amount of the value of properties reserved over a given period.
- Residential properties: the sum of the value of unit and block reservation contracts signed by customers and approved by Bouygues Immobilier, minus registered cancellations.
- Commercial properties: these are registered as reservations on notarized sale.
For co-promotion companies:
  - if Bouygues Immobilier has exclusive control over the co-promotion company (full consolidation), 100% of amounts are included in reservations;
  - if joint control is exercised (the company is accounted for by the equity method), commercial activity is recorded according to the amount of the equity interest in the co-promotion company.

Sales from services (Bouygues Telecom) comprise:
- Sales billed to customers, which include:
  - In Mobile:
    - For BtoC customers: sales from outgoing call charges (voice, texts and data), connection fees, and value-added services.
    - For BtoB customers: sales from outgoing call charges (voice, texts and data), connection fees, and value-added services, plus sales from business services.
    - Machine-To-Machine (MtoM) sales.
    - Visitor roaming sales.
    - Sales generated with Mobile Virtual Network Operators (MVNOs).
  - In Fixed:
    - For BtoC customers: sales from outgoing call charges, fixed broadband services, TV services (including Video on Demand and catch-up TV), and connection fees and equipment hire.
    - For BtoB customers: sales from outgoing call charges, fixed broadband services, TV services (including Video on Demand and catch-up TV), and connection fees and equipment hire, plus sales from business services.
    - Sales from bulk sales to other fixed line operators.
- Sales from incoming Voice and Texts.
- Spreading of handset subsidies over the projected life of the customer account, required to comply with IFRS 15.
- Capitalization of connection fee sales, which is then spread over the projected life of the customer account.

Other sales (Bouygues Telecom): difference between Bouygues Telecom's total sales and sales from services.
It comprises:
- sales from handsets, accessories and other;
- roaming sales;
- non-telecom services (construction of sites or installation of FTTH lines);
- co-financing of advertising.

Very-high-speed: subscriptions with peak downstream speeds higher or equal to 30 Mbit/s. Includes FTTH, FTTLA, 4G box and VDSL2 subscriptions (Arcep definition).

Wholesale: wholesale market for telecoms operators.

7. STATEMENT BY THE PERSON RESPONSIBLE FOR THE FIRST-HALF FINANCIAL REPORT

I certify that to the best of my knowledge the condensed consolidated first-half financial statements for the past half-year have been prepared in accordance with the relevant accounting standards and give a true and fair view of the assets and liabilities, financial position and results of the company and of affiliated undertakings and that the attached first-half review of operations provides an accurate representation of significant events in the first six months of the year and of their impact on the first-half financial statements, of the main related-party transactions and of the main risks and uncertainties for the remaining six months.

Paris, 25 August 2021

Olivier Roussat
CEO

A *Société Anonyme* (public limited company) with a share capital of €380,759,842
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